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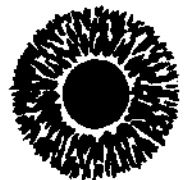
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MARINA DEL REY STUDY

WORKING PAPER 18: THE DEVELOPMENT OF THE MARINA



COASTAL ZONE PLANNING AND MANAGEMENT PROJECT
UNIVERSITY OF SOUTHERN CALIFORNIA SEA GRANT PROGRAM-LOS ANGELES, CALIFORNIA



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THE DEVELOPMENT OF MARINA DEL REY

Marina del Rey Study
Coastal Zone Planning and Management Project
University of Southern California
Sea Grant Program

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This work was supported by a Grant No. 2-35227
from the National Sea Grant Program, U.S. Department
of Commerce, to the University of Southern
California.

Sea Grant Publication No. USC-SG-5-72

CONTENTS

PREFACE	iii
CHAPTER I. INTRODUCTION	5
Stages of development	
Important public issues	
CHAPTER II. THE PRE-DEVELOPMENT ERA	11
Natural topography	
Early development schemes	
Basic marina plans	
County plans and Corps of Engineers	
plans	
Madigan-Hyland plan	
Nicholson plan	
Corps of Engineers; Design Memorandum	
No. 1	
CHAPTER III. INITIAL DEVELOPMENT (1956-62)	36
Economic studies	
Analysis methods	
Development costs	
Public and private roles	
Land acquisition	
Land use plans, 1960	
CHAPTER IV. LATER DEVELOPMENT (1962-71)	81
The critical period	
Land use plan, 1967	
The land use study	
Current conditions	
Considerations for future planning	
APPENDIX: MAJOR REFERENCE DOCUMENTS	112

PREFACE

This working paper is one of a series focused on the Marina del Rey being prepared as part of the Coastal Zone Planning and Management Project at the University of Southern California. The overall project has been conducted jointly by the Center for Urban Affairs and the Graduate Program of Urban and Regional Planning under a grant from the U.S. Department of Commerce to the U.S.C. Sea Grant Program. This paper was undertaken to provide an orderly, accurate presentation of the decision process which has led to the Marina's present status.

We believe that the study will be of value to the Los Angeles County Department of Small Craft Harbors in its future Marina development activities. Although the department has been our principal source of information, an outsider's view of past events is sometimes useful. The principal value, however, will accrue to other coastal communities which are considering marina development but do not have the experience which Los Angeles has gained.

Obviously, there are many aspects of the Marina which we have not investigated in depth here. Among these are current activity patterns, developer behavior, environmental conditions, effects on surrounding areas, and the internal governance of the Marina. Furthermore, it has not been our intention to identify individuals who have advocated various

policies. Other papers in the series will deal with many of these factors.

We would like to thank the following people at the Los Angeles County Department of Small Craft Harbors for their cooperation in providing reference documents and for the time they spent with us in interviews:

Victor Adorian, Director; Donald Deise, Assistant Director; James Quinn, Chief of Operations and Development; Leo Bialis, Harbor Controller; and Richard Landon, Property Manager. Ben H. Southland, of Gruen Associates, who represented this consulting firm in their land use planning for the Marina, offered a number of valuable insights concerning its development.

We also recognize the important roles played by Ronald Linsky, Director of Sea Grant Programs at U.S.C.; Jerome Milliman, Director of the Center for Urban Affairs; and Professor Robert Warren in making the initial contacts which allowed us to proceed on this study.

CHAPTER 1. INTRODUCTION

The Marina del Rey, on Santa Monica Bay in Los Angeles County, is one of the largest man-made small craft harbors in the world, containing 375 acres of land and 405 acres of water. It is expected to have about 6,000 boats in slips and hundreds more in dry storage. Beyond this, it is a small community in itself with a resident population of 10,000 and a seasonal daytime population of about 30,000. The residential accommodations are supplemented by extensive commercial facilities including a shopping center, office buildings, and many restaurants. Public investment to date has been over \$36,000,000 which has been funded by federal and county contributions as well as a revenue bond issue of \$13,000,000. Total private investment is expected to reach \$160,000,000 or more. Today the project is clearly a financial success for the County, both in terms of internal revenues and increased tax income.

The site of the Marina is totally owned by Los Angeles County but most of the land and some of the water area is leased to private developers. The County Department of Small Craft Harbors, the Small Craft Harbor Commission and the Marina Design Control Board regulate both the form of development and the operations of the lessees.

Obviously, this financially successful project has required extensive and continuous planning effort. The pattern of decisions must be seen as a dynamic process. Plans have been modified considerably over a

long period of time and will continue to change. Each action taken by the County and by developers was a response to possibilities and constraints at a specific point in time, as they were perceived by particular groups. Some comments will be made here concerning the significance of Marina development decisions for its users, the surrounding area, and the community as a whole. However, a more complete critique of the decision process will appear in a later working paper.

Stages of development

The stages of Marina development and planning will be presented in a roughly chronological sequence. The first stage, up to 1956, covers early schemes for use of the Marina site and the planning which led up to a tentative decision for extensive public investment in a small craft harbor there.

During the second stage, 1956-62, detailed economic studies were conducted to estimate the costs and revenues from the Marina. Arrangements for the use of general fund and revenue bonds were established for financing public expenditures. The land needed for Marina development was acquired by the County and construction of the basic form of the Marina was undertaken. In 1960, the first complete land use plan was prepared. Procedures for leasing land and water parcels were defined. Finally, the first lessees built their own structures and began to operate.

A third stage began in 1962 with a period of great difficulty brought on by storm damage and problems with financing. Up to 1967, every decision concerning the Marina had to be made with the goal of increasing revenues in order to meet debt service requirements. At present, many private structures and their arrangement reflect the market and financing conditions existing during this critical period which made low cost development necessary. More recent projects are of higher quality and higher cost. A revised land use plan was prepared in 1967 which updated the original plan. The new plan took account of experience gained during the intervening period, as well as the rapidly changing market conditions.

Currently the County contracts, when necessary, with economic and land use planning consultants who undertake studies and make recommendations to ensure that the continuing development of the Marina will be effective.

Important Public Issues

The Marina today appears to be a remarkably successful operation. However, from the point of view of public policy, a number of issues should be considered which will be relevant to decision-making concerning other marinas. While we will not attempt to answer these questions in this descriptive paper, they have guided the selection of information to be presented.

The first issue is whether the Marina del Rey site should have been used

for a small craft harbor or for some other purpose. It can be assumed that local governments today must be constantly searching for revenue producing development. Rarely is a project carefully analyzed to determine whether its overall effect on the community will be the most favorable of all possible uses. Apparently, little consideration was given to uses other than a small craft harbor for this site and the possibilities for alternative uses were discarded long ago. Some other uses which might have been considered are industry, low density residence, a more or less natural estuary and park, and a recreation area like Marineland or even Disneyland. We are not necessarily suggesting that these uses are more suitable for the Marina site, but that a wide range of possibilities should be examined for all coastal zone sites.

Given that a marina has been assigned to the site, it should be considered whether the overall layout and the land use pattern have been handled well. For example, could the surge problem during the 1962-63 period have been avoided by better channel planning? Does the channel and basin arrangement result in acceptable water quality? Is the percent of the site filled as land appropriate? Have internal roads, links to external streets, and parking been well organized? Are high and low rise buildings properly balanced and arranged? Are residential and transient population densities too high or too low?

Another category of issues concerns the financial and operating arrangements of the Marina. Were the public subsidies from the Federal government and the County general fund appropriate? Were the revenue bond issue and state loan handled well? Have leasing arrangements been fair and in the best interest of the County? Are public services adequate? Are Marina users paying their share of service costs?

Finally we come to the question of who should have the ultimate decision-making responsibility for marinas and other coastal zone development. If, as in the present case, the Department of Small Craft Harbors is given a major role in planning one would expect that water recreation uses, especially pleasure boating facilities, would be given precedence whenever possible.¹ However if an agency with responsibility for all activities in the coastal zone were making decisions, perhaps a different land use scheme would have resulted.

In the remaining chapters of this report, we will turn to the chronology of Marina development.

FOOTNOTES

- 1 Note that boating dominated the early plans, but as time has passed, residential and other "landside" development have been allowed to expand considerably because of the need to pay back the revenue bonds. Apparently boat slips alone would not support the cost of the Marina.

CHAPTER II. THE PRE-DEVELOPMENT ERA

Natural Topography

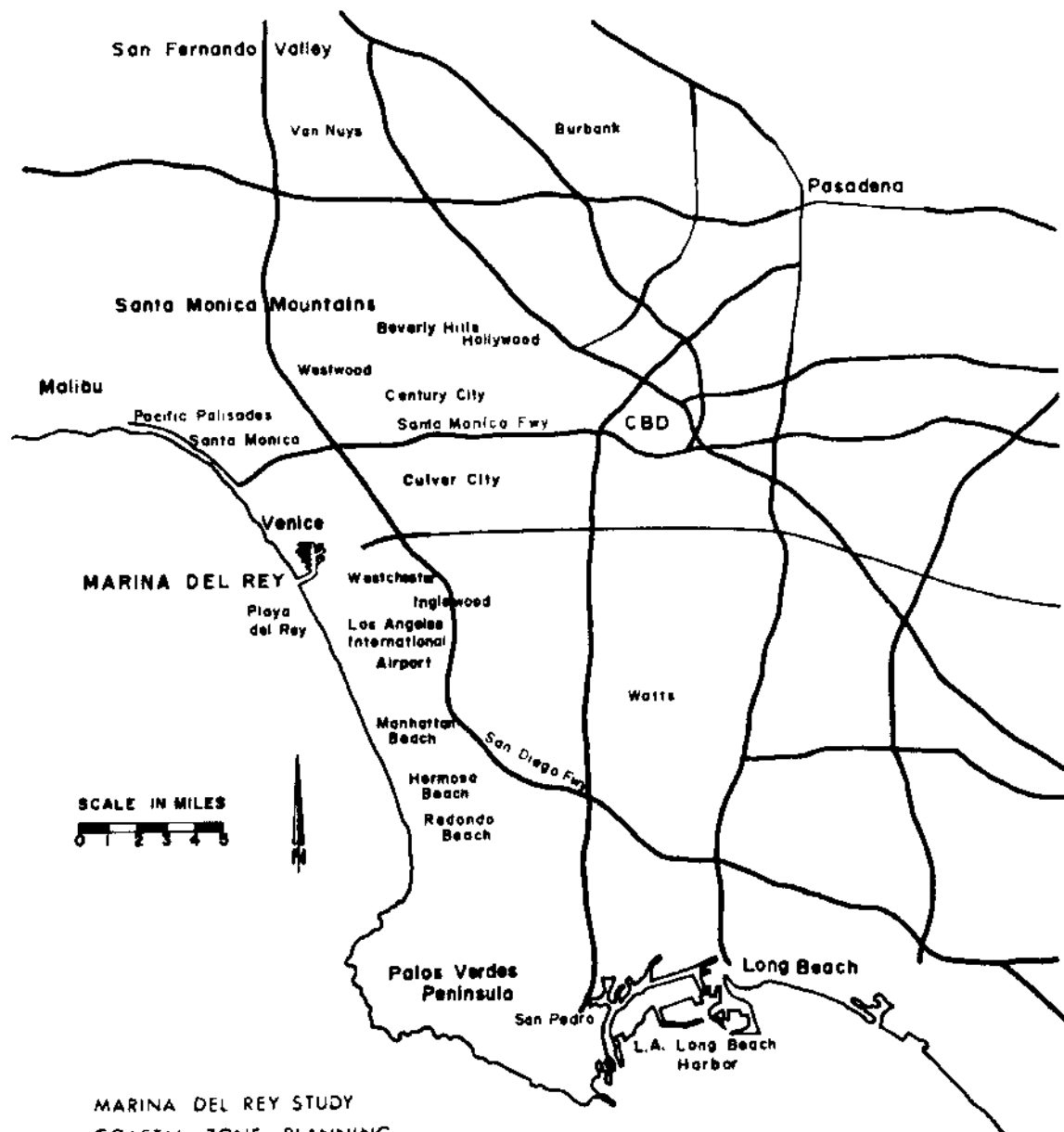
Marina del Rey is located at the southern end of an area of beachfront lowlands which extend south from Pacific Palisades to the bluffs of Playa del Rey. Toward the east, the land slopes gradually upward to the Baldwin Hills, four miles inland. Until recently, the Marina area was known as Playa del Rey Inlet. Early in the 1800's the inlet had formed the mouth of the Los Angeles River but later the river rerouted itself so that it now enters the sea at Long Beach.

The concrete lined Ballona Creek Flood Control Channel, just south of the Marina site, was constructed in 1938. After the construction of the flood control channel, the Marina area was described as "1513 acres of salt marsh and low farm and residential lands." Residences were clustered along the shore since the area inland was subject to flooding¹ by even moderate rainfall.

Early Development Schemes

Indians once inhabited the area of the present Marina. There was fresh water from Ballona Creek, hunting and fishing were good, and there were clams in the lagoon. When Southern California came under the jurisdiction of the Spanish, the area was part of a large rancho used for raising cattle. The Rancho la Ballona, named for the town of Bayona in Spain, gave its name to Ballona Creek.

GENERAL LOCATION MAP



MARINA DEL REY STUDY
COASTAL ZONE PLANNING
AND MANAGEMENT PROJECT
UNIVERSITY OF SOUTHERN CALIFORNIA

Source: California State Division of Highways

Moses Wicks, a real estate speculator began construction of a commercial harbor on the site in 1887. Although only 35, Wicks had been successful in land dealings after his graduation from law school and was able to capitalize \$300,000 for the venture. The Santa Fe Railroad built a rail line to service the port and a pile-lined channel was begun. Construction proceeded to the point of creating a basin suitable for small boats before a collapse of the real estate market left the speculators² without customers and stopped the construction. The channel quickly deteriorated and the basin filled in until it was no longer navigable.

In 1892 Abbot Kinney began developing the Venice area, complete with canals with the intention of replicating the character of Venice, Italy. This transformed what had been an ownerless beach into a vacation resort. Kinney remained active in the development of Venice throughout his life and was one of the successors to Wicks in encouraging the development of a harbor at Playa del Rey Inlet. His exact role here is not known, but in 1916 he made a statement of support and encouragement of the construction of a harbor in the House Document No. 1880 of the 64th Congress. This document reported the findings of the Corps of Engineers in studying the feasibility of such a commercial harbor.³

The Corps' preliminary examination determined there was no justification for such a major undertaking. The commerce projected for such a harbor was uncertain since the site of the present area harbor at San Pedro and

Long Beach was considered far superior. Although it was thought that a small craft harbor might be useful, there was no provision for federal participation in such a project at that time.⁴ Abbot Kinney's son, Thornton, tried to encourage the construction of a naval base at Playa del Rey in 1921⁵ but failed to gain recognition for the project.

The Venice canals connected with the sea at Playa del Rey Inlet. After the construction of the Ballona Creek Flood Control Channel, tide gates into the channel became the only opening from the canals to the sea. The marshes drained into the canals and the canals into the channel.

As Venice grew, development crept southward towards Ballona Creek. Houses were built along the beach in the area known as the peninsula, so named because of the salt marshes behind the beach. A bridge over Ballona Creek at Pacific Avenue connected the peninsula with Playa del Rey. In 1930, a profitable oil well was discovered and soon 151 oil wells dotted the peninsula and the western side of the marshlands. The production of these wells decreased from a peak of 40,000 barrels a day in 1930 to 2,300 barrels a day in 1946 and their existence at that time was not seen as a serious obstacle to the construction of the marina.⁶

A proposal for a harbor was again raised in 1937 when Congress approved the Rivers and Harbors Act, Public Law 75-392, which "authorized and directed to cause a preliminary survey to be made ..." at Playa del Rey

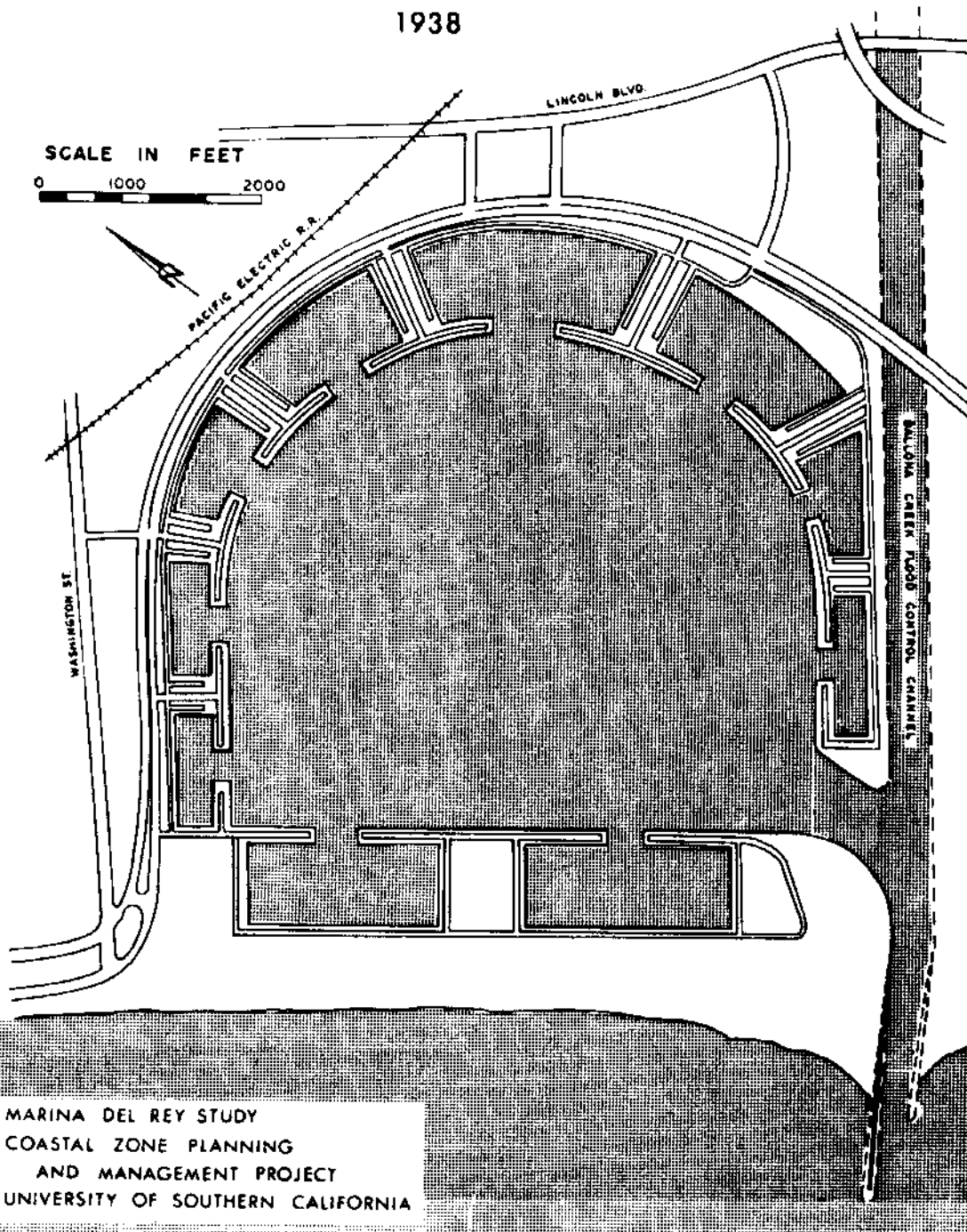
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Inlet. Before the Corps of Engineers undertook the study, they requested that a certain amount of information be provided by the community. Accordingly, the Los Angeles County Regional Planning Commission was authorized to provide the information. For the first time, the proposal was for the construction of a recreational harbor, a concept which was made possible by Public Law 72-16 which had defined the term commerce to include "the use of waterways by seasonal passenger craft, yachts, houseboats, fishing boats, motor boats and other similar water craft whether or not operated for hire."

It is not known who inspired the inclusion of Playa del Rey Inlet in the 1937 Law. By this time, however, the perceived local need for recreational facilities, coupled with the unusual suitability of the area for small craft harbor development seems to have created a predisposition for the harbor among many groups.

Basic Marina Plans

The Regional Planning Commission produced a report in 1938 which envisioned a large open body of water (435 acres) surrounded by ten smaller berthing areas created by mole type piers jutting into the central basin. It's estimated cost was \$9,750,000. The harbor was to accommodate 5,000 boats and include automobile garages, parking spaces, water and electrical outlets, restrooms, yacht clubs, boat repair

REGIONAL PLANNING COMMISSION PLAN 1938



Adapted from: L.A. County Regional Planning Commission, Report on Proposed Recreation Harbor at Playa del Rey, 1938.

facilities, sport fishing boats, administration buildings, and possibly
 8
 civic buildings such as a post office or library. The physical plan was
 not based on thorough analysis, but was thought to be reasonable in light
 of the needs of the boating public. The amount of business assumed
 for the Marina was based on extrapolations from the demand for services
 at existing harbors. The final report, accompanied by a review of the
 findings of George F. Nicholson, consulting engineer, was completed
 9
 in August 1938. At this time, the Corps of Engineers was expected to
 begin their survey. World War II, however, delayed their action and
 10
 the survey was not authorized until April 6, 1944.

County plans and Corps of Engineers plans

The early plans for the marina at Playa del Rey Inlet were as speculative
 as the Marina itself. The plan developed by the Regional Planning Com-
 mission in 1938 and updated later as part of the Master Plan of Shoreline
 Development, was designed to provide needed information for the Corps
 of Engineers. The Corps wanted to know what kind of harbor the local
 community wanted. They wanted to know what activities would take place
 in the Marina and what interests would be served. The Corps of Engineers
 was unfamiliar with evaluating a recreational harbor proposal since they
 had been previously involved only in commercial harbor construction.
 Similarly, the Regional Planning Commission was not accustomed to
 dealing with the issues peculiar to a recreational harbor. At any rate,

they were reacting to a particular request for information on a project which could be fit into county plans but which was not yet adopted or thought to be imminent. Their plan drawings show little regard for property lines or city boundaries. The planners seem to have assumed that much more planning would be done before any marina would be built.

The action of the Regional Planning Commission and the pending action by the Corps of Engineers probably increased in people's minds the likelihood of a marina at Playa del Rey Inlet. The Shoreline Planning Association of California urged preliminary studies for such a marina. In response, the City of Los Angeles commissioned a study of the recreational development of the Los Angeles shoreline to be done by a private consultant, Madigan-Hyland.¹¹

The consultant postulated the future existence of the Marina del Rey to the point of saying that it would probably be open in 1953. Again the planners assumed that someone else would do more detailed plans for the Marina. Madigan-Hyland apparently based its projections on the plan developed by the Corps of Engineers. The Corps had not published its report yet but the general plan which accompanied the Corps' findings had been drawn in 1946, so that it was available to the consultants.

12

The Corps of Engineers report was finally completed in 1949. The major purpose of this study was to determine whether or not the federal government would participate in the construction of the Marina. For this reason its plans

were more specific than any others had been. The plans, however, covered only the construction of the waterways and left land use and accompanying facilities out of their considerations. Only as it affected channel design did the Corps indicate the existence of boat repair yards, administration buildings and boating clubs.

The harbor designed by the Corps of Engineers was similar to that envisioned by the Regional Planning Commission. There was to be a large central basin connected to the sea by a single channel. Twelve side basins with a capacity of 8000 boats would be twenty feet deep and be served by a twenty foot deep interior channel from the entrance. The rest of the water area was to be ten feet deep. The deeper areas were to be for boat repair, perhaps to accomodate larger commercial boats which would be harbored elsewhere.

Madigan-Hyland Plan.

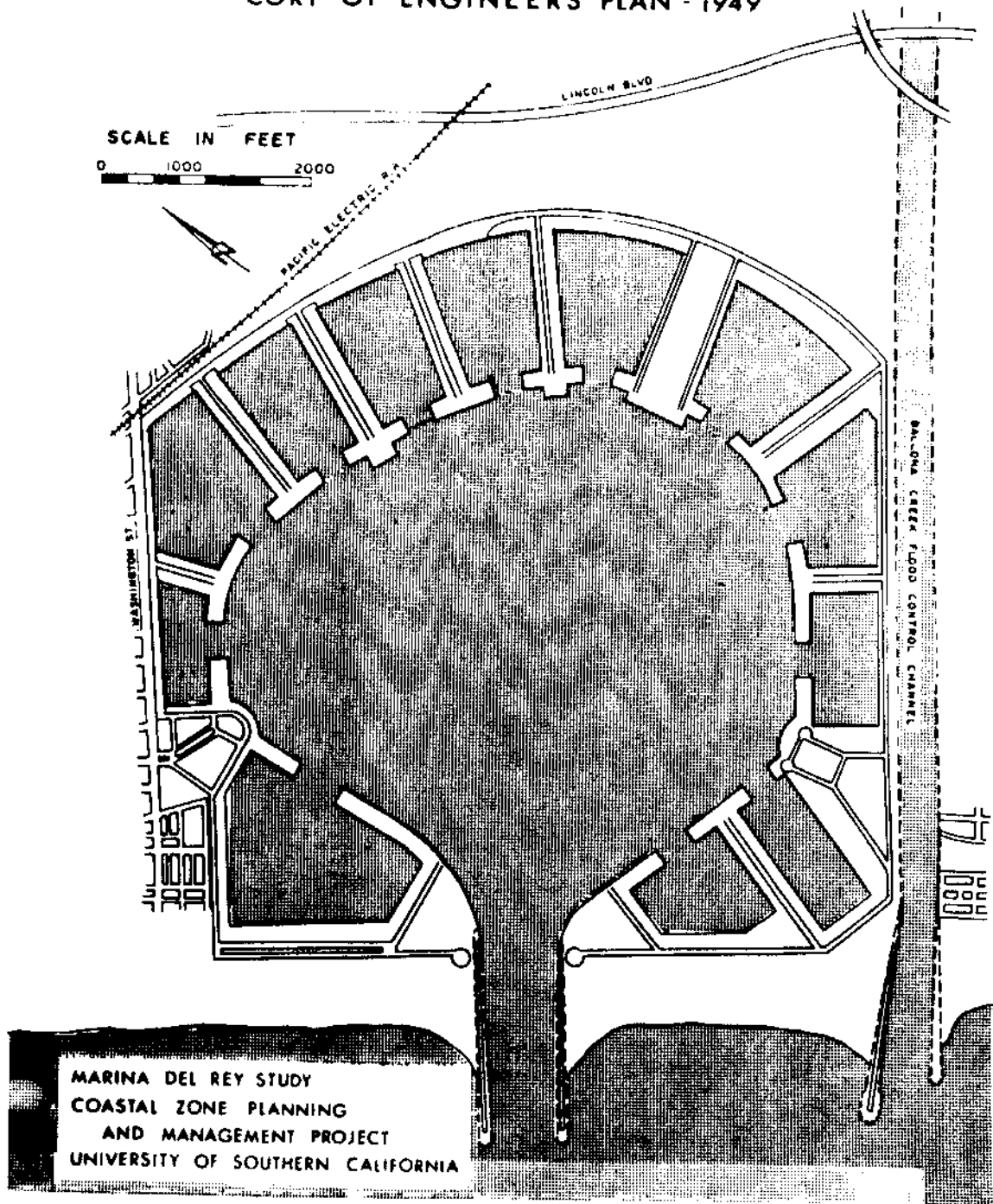
The Madigan-Hyland plan for the coastline also was finished in 1949. Since theirs was a study of the entire Los Angeles County coast, Madigan-Hyland described the facilities to be included in the Marina primarily in relation to the entire County's coastal recreational facilities. It is not known if the consultant had been asked to determine what type of facilities should be specifically included in the Marina, or if they merely wished to influence the eventual planners of the Marina to give consideration to regional recreational needs.

Madigan-Hyland determined the number of parking spaces needed for a marina would be 1.5 spaces for each of 80% of the boat slips plus 1400 parking spaces for the general public. They apparently felt the public should have access to the Marina even if only for sight seeing. They suggested, however, that the way to pay for such public parking would be to collect a fee at the Marina entrance. No one but a boat owner with a pass would get into the Marina without paying.

While Madigan-Hyland probably based their recommendations for land and water use on a plan similar to that shown in the Corps of Engineers Plan of 1949, it is difficult to reconcile the activities and facilities they specify with the areas provided in the plan.

The major emphasis in the report is on the 8,000 small craft to be docked in slips located within bays built around the periphery of the circular harbor. Two additional bays are planned for marine related commercial and recreational use. The support facilities thought to be required for 8,000 craft are described, but no indication is given of the space allocated for these facilities. Two of the bays shown on the plans are adjacent to Washington Street, two to Ballona Creek Flood Control Channel, three back on to the ocean beach, and only four of the remaining five bays have any contiguous land area available for the location of the 11,000 parking spaces, the marine supply stores, restaurants, bars, and retail commercial facilities which are noted as

CORP OF ENGINEERS PLAN - 1949



Adapted from: U.S. Engineer Office, "General Plan of Improvement, Playa del Rey Harbor" Los Angeles, 1949.

necessary. The area which lies between Lincoln Boulevard and the marina's circumferential road is approximately 125 acres and would be inadequate for even a small share of the facilities described.

Four of the thirteen moles shown are large enough to accomodate harbor administration and maintenance operations as well as marine repair yards, but the remaining moles are only large enough to provide for a minimal number of the storage lockers to be rented to boat owners. Space on the moles is not sufficient for the garages recommended for rental to boat owners for their cars and paraphernalia, nor is it possible to find such space within feasible distance from the slips.

Numerous other discrepancies between narrative and plan are apparent, so that it is obvious that Madigan-Hyland's textual report on the Marina, considered by itself or in conjunction with the Corps of Engineers plan for the area, cannot be regarded as a complete land use plan. Again, it must have been assumed that other agencies would complete the planning work necessary before actual construction of the Marina.

While Madigan-Hyland's report had been addressed to County coastal recreational needs, the Corps of Engineers Plan, developed at the same time, concerned only the Marina. The major purpose of the report was to present a benefit-cost analysis to justify the federal government's participation in the Marina's construction. Considering tangible benefits only, they

estimated that the benefit-cost ratio resulting from the proposed marina development would be 1.4 to 1. Along with this figure it is mentioned that federal participation is further legitimized by a higher percentage of marina costs to be borne by local interests, rather than by the federal government. The amount necessary to construct half of the main navigational features was finally recommended as the federal government share.¹⁴

In 1954, Congress passed Public Law 83-780 which "adopted and authorized to be prosecuted" the recreational harbor at Playa del Rey Inlet.¹⁵ This decision had been recommended by the Secretary of the Army on the basis of the 1949 report by the Corps of Engineers. The legislation approved federal participation in the project in the event that the local authorities decided to go ahead with it.

Nicholson's Plans

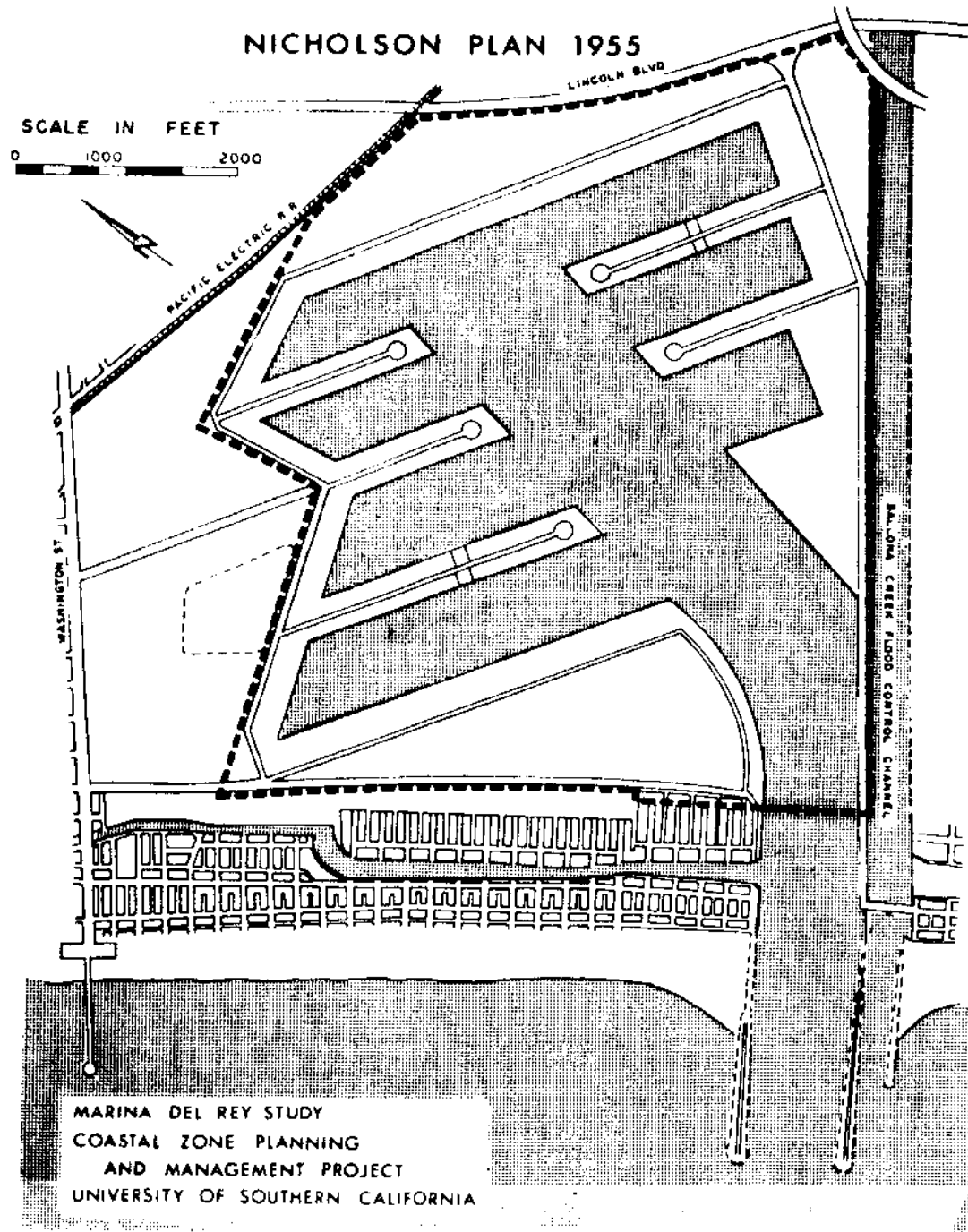
In response to the federal support provided by Public Law 83-780 the Los Angeles County Board of Supervisors hired George F. Nicholson, consulting engineer, to prepare a schematic plan for a marina accompanied by an economic feasibility study. The Nicholson plan was a radical departure from the Corps of Engineers Plan of 1949. The Nicholson Plan eliminated the large central basin which characterized the earlier plans. The basin, it was reported was not required for navigation nor would it

be appropriate to the area the Marina was planned to occupy, a much smaller area than was previously contemplated. Also, it was thought that the mole design in the Corps of Engineers Plan would constrict the flow of water within
16

the mooring basins. Nicholson's Plan therefore, employed a straight main channel 1,000 feet wide with six side basins each 600 feet wide and one 625 feet wide. The plan was to accomodate 6000 boats in the water with dry storage for 2000. The entrance channel was moved so as to be directly adjacent to, but separate from Ballona Creek. This was done to avoid isolating a stretch of beach between Ballona Creek and the entrance channel. Ballona Creek was kept separate from the channel in order to avoid the difficult task of dismantling the existing jetty and to avoid the debris that the flood control
17
channel carries.

Beaches were planned at the end of four of the mooring basins with substantial
18
parking areas for the public using the beaches. Boat launching and boat repair also figured in the design. It was intended that motels would be located near the beaches on sites leased to private interests. Restaurants, yacht clubs, gas stations (auto and boat) and a large salt water lagoon and beach sand stockpile area completed the plan.

The radically different configuration of Nicholson's first plan for the harbor was decided upon, then, in order to provide: 1) protection against silting, 2) convenient land access, 3) reduced water contamination and 4) lower land acquisition costs.



Adapted from: George F. Nicholson, Schematic Plan, Long Beach, Calif., 1955

This plan was based on the assumption that the County could acquire all the land adjacent to and north of Ballona Creek from the ocean east to Lincoln Boulevard. A triangular parcel of land in the northeast section of the present marina which contained a salt pond was not included. The proposed boundary on the north side of the marina conformed partially to the boundary of the County of Los Angeles. The land with the salt pond, Lake Los Angeles, was within the City of Los Angeles and was used for recreation. Its cost was ¹⁹ considered excessive and therefore it was excluded from the project area.

The orientation of the side basins was determined in large part by the Venice Interceptor Sewer which ran directly across the middle of the Marina. It was planned to build the Marina in stages so that the first phase would include dredging the waterways up to the point at which the sewer line crossed the main channel. The sewer line thus ran along what was to become a mole on either side of the main channel.

The change in the basic round form of the Marina to Nicholson's design proposal did more than merely make for more efficient use of land and water area. The new design precluded the use of the Marina by small boats seeking protected waters for recreational boating. This greatly changed the character of the Marina from the traditional recreational harbor, to a berthing harbor whose waters are used only for entrance and exit. The Corps of Engineers commented on this loss of a sailing basin but said that the plan was acceptable

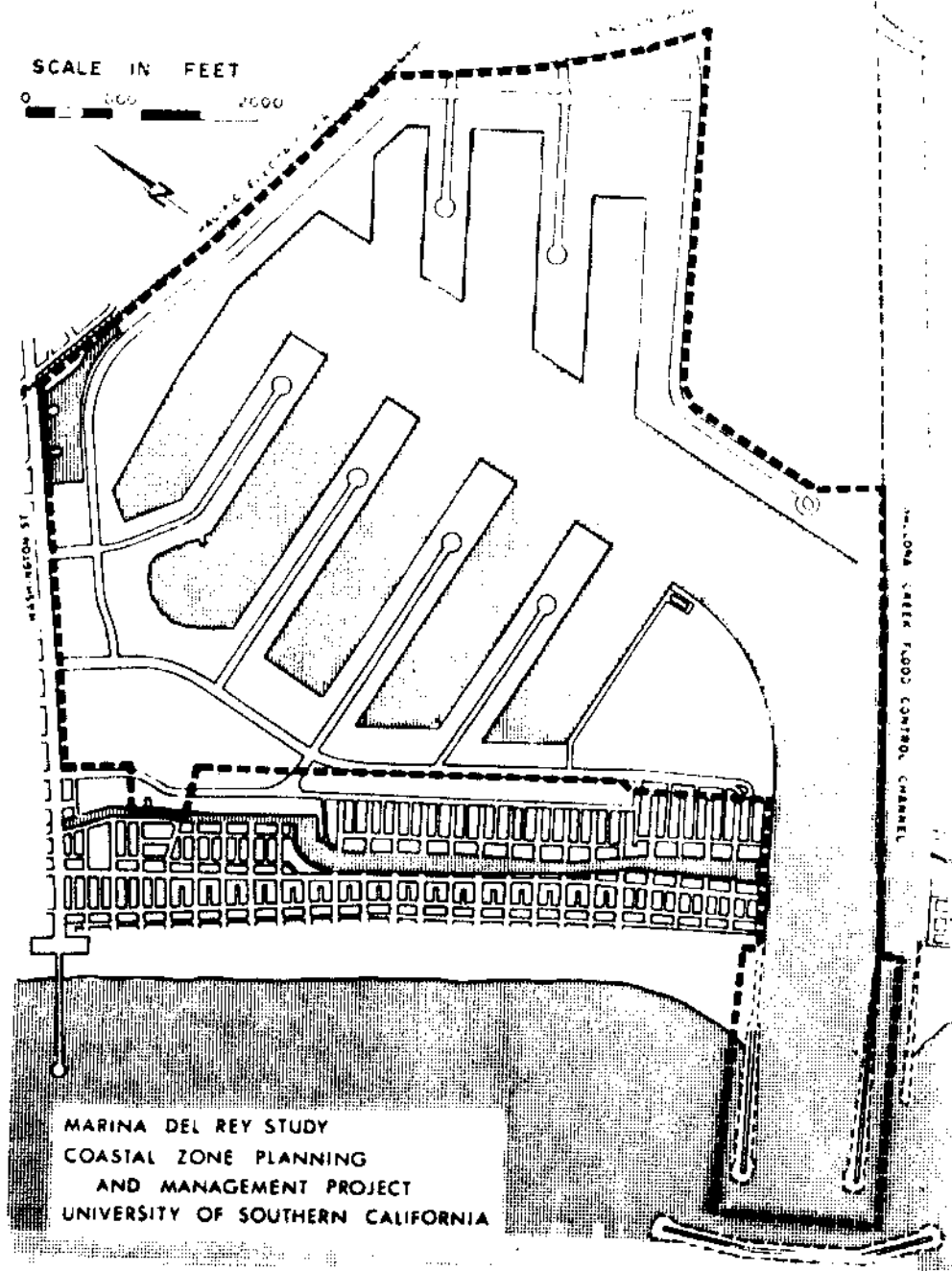
if cost had to be the governing factor.

This was perhaps the first example in Marina del Rey planning in which a policy decision for the public recreation facility imitated the private market: it is expensive to build a marina, therefore it should be designed only for those who can afford such expense. The change by Nicholson's plan eliminated a large part of the boating public--those who owned small boats which are unsuited for use in the open sea. By making the Marina primarily a berthing harbor, the Plan in effect limited its use to sea-going and therefore larger, more expensive boats.

The change in the character of the Marina is never acknowledged in any Marina plan documents. No consideration is given to the fact that the change would alter the demand for launching facilities, or that it might affect the optimal boat capacity for which the Marina should be planned. Looking back, it is believed that demand for slips for large boats was being expressed then and that small boats could be accommodated at inland lakes.

This is not meant to imply that land and cost construction are not valid, but only to say that within those constraints, certain harbors are possible, other are not. If the harbor is changed, the goals and the client which the harbor is to serve should be re-evaluated in these terms. If the goals and clients change, it should be the result of a conscious

FINAL CORPS OF ENGINEERS PLAN 1956
(BASED ON L.A. COUNTY ENGINEER'S ALTERNATE NO. 2)



Adapted from: U.S. Army Corps of Engineers, Design Memorandum No. 1,
General Design for Playa del Rey Inlet and Harbor, L.A. 1956.

policy decision rather than as an accident of design.

Nicholson submitted his plan to the County Engineers on October 23, 1955. Almost immediately the plan was revised. The Engineer's office made up three alternative plans. Alternate No. 1 was apparently very similar to Nicholson's original; Alternate No. 2 was drawn to appraise the use of additional land in the marina plan, and it conforms closely to the plan of the Marina today; Alternate No. 3 showed only two mooring basins²⁰ on the east side of the main channel. Nicholson was asked to render an opinion on the alternatives. He stated that he preferred his original scheme as modified by Alternate No. 1, but that Alternate No. 2 "should be given consideration if the additional land in the City of Los Angeles south of Washington Street and the Pacific Railway is added to the²¹ site." He did say, however, that Alternate No. 2 would: 1) permit advantage in making street connections with Washington Street, 2) be better for boat races because the main channel is longer, 3) be added protection from southwest storms, and 4) take advantage of the salt water pond on the property on the north side of the marina.

Alternate No. 2 moved the north end of the main channel westward so that there was a sharper turn to the left when entering the marina from the sea. The channel was made wider and the side basins were changed so as to fit better in the new area. More water area was created in

the larger plan and therefore more cost for dredging was expected. The drawing of the new plan showed no industrial area and little commercial area. Instead, the larger areas on the perimeter of the marina were designated as future residential development.

On February 21, 1956 the Los Angeles County Board of Supervisors adopted Alternate No. 2 as the plan the county intended to use. The projected public and private cost of the Marina were estimated by Nicholson to be \$24,351,000 for Nicholson's Plan of 1955 and \$26,188,000 for Alternate No. 2. ^{22,23}

The increase in cost was due mainly to the greater water area and the consequently lengthened bulkheads etc. Also the increased capacity caused higher costs allotted to mooring facilities and restrooms.

²⁴
Alternate No. 2 was then sent to the Corps of Engineers for approval. Simultaneously a revenue bond proposal was prepared for the November 1956 ballot which would give the County the authority to issue bonds to pay for its share of the cost of the marina.

Corps of Engineers: Design Memorandum No. 1.

In 1956, the Corps of Engineers, using the County's Alternate No. 2 produced their Design Memorandum No. 1. ²⁵ This document defined the parts of the project for which the federal government was to be responsible. It set the engineering specifications for the exact outline of the water area, the depth of the water, the type of jetty to be built, etc.

The Memorandum reviews the discussions of cooperative arrangements between the federal and county governments which appear in House Document 389, 1954; in Public Law 83-780, 1954; and in the supporting text for Alternate No. 2. The document then defines more precisely the particular responsibilities each party would have. It also states that the federal government would pay for fifty percent of the main navigational features i.e. the main channel and entrance jetties.

The Corps of Engineers was in communication with the County government so that the County Board of Supervisors was able to adopt a resolution on October 23, 1956 (before Design Memorandum No. 1 was published in November 1956) which agreed to the terms of participation and the responsibilities which the County would have.

On November 6, 1956, the voters of Los Angeles County passed a proposition allowing the County to issue revenue bonds for the construction of the Marina. The bonds were not issued until 1959, but acquisition of property and actual construction began before that. The date of the start of construction of the entrance jetties was December 1957.

Before much progress on jetty construction had been made, the Corps of Engineers prepared Addendum No. 1 to their General Design Memorandum. The addendum made changes stemming from Corps observations and requests by local interests and consultants. Boat launching

facilities were moved to the basin closest to the entrance on the east side of the main channel which necessitated making that basin narrower and shorter. The basin originally intended for boat launching was made wider. No reason is given for this change. The entrance channel was made deeper to minimize the wave effect caused by shallower water near the bend in the channel. The northern edge of the water area was moved slightly to make it conform to the city-county boundary line which passed through the Marina. The road system was changed so that better use could be made of the land area in the marina. The section of the perimeter road, which ran along the southern entrance jetty and crossed Ballona Creek at Pacific Avenue was eliminated from the plan.

As construction progressed the City of Los Angeles and the County of Los Angeles cooperated to make all the land within the Marina fall under County jurisdiction. The County adopted a resolution requesting that the area at the north end of the Marina adjacent to Washington Street be put under County jurisdiction while the City passed an ordinance to remove that land from within
29
the boundaries of the city. The ownership of the land was held by the County during this entire process.

Another section adjacent to the Marina remains within the City of Los Angeles. The beachfront property all along the west side of the Marina, known as the Venice "peninsula" is within the City. The portion of the entrance channel which passes through this strip also lies within city boundaries. In this

area, the city has adopted a special ordinance which allows the County
Harbor Patrol to handle law enforcement in the channel.³⁰

FOOTNOTES

- 1 House Document 389, 83rd Congress, 2nd Session. Playa del Rey Inlet and Basin, Venice, California (May 1954).
- 2 Department of City Planning, Los Angeles, California, A History of the Venice Area, (Oct. 1969) p. 6.
- 3 House Document No. 1880, 64th Congress, Preliminary Examination of Playa del Rey Inlet and Basin, Venice, California, (1916).
- 4 House Document 389, p. 5.
- 5 A History of the Venice Area, p. 19.
- 6 House Document 389, p. 26, 27.
- 7 P.L. 75-392, 75th Congress, 1st Session, (August 1937).
- 8 Regional Planning Commission, Report on Proposed Recreational Harbor at Playa del Rey, (June 1938).
- 9 Venice Evening Vanguard, "The Story of a Harbor Told Chronologically," (Venice, Calif.: April 26, 1957).
- 10 House Document 389, p. 4, 20.
- 11 Madigan-Hyland, Recreational Development of the Los Angeles Area Shoreline, (New York: 1949), pp. 95-97.
- 12 House Document 389.
- 13 Ibid., Plan.
- 14 House Document 389 p. 6.
- 15 Public Law 83-780, 83rd Congress (1954).
- 16 George F. Nicholson, Schematic Plan, Small Boat Harbor Development, Marina del Rey (Long Beach, California: Oct. 1955) p. 2.
- 17 Ibid., p. 23.

- 18 Ibid., p. 4.
- 19 George F. Nicholson, Letter evaluating Alternate Plan No. 2 (Long Beach: December 12, 1955).
- 20 Ibid., p. 1.
- 21 Ibid., p. 2.
- 22 Nicholson, (Oct. 1955) Schematic Plan, p. 30-32.
- 23 Nicholson, (Oct. 1955) Alternate Plan No. 2, p. 6.
- 24 Corps of Engineers, Design Memorandum No. 1, (Los Angeles: November 1956) p. 5.
- 25 Ibid.
- 26 Venice Evening Vanguard.
- 27 Gruen Associates, Marina del Rey: Land Use Study (Los Angeles: March 1967) mimeo 59 pp. Part I, p. 4.
- 28 Corps of Engineers, Addendum No. 1 to Design Memorandum No. 1 (Los Angeles: January 1957).
- 29 Los Angeles City Ordinance 11973 (August 7, 1961).
- 30 Los Angeles City Ordinance 139, 030 (September 19, 1969).

CHAPTER III. INITIAL DEVELOPMENT (1956-1962)

Economic Studies

Along with the plans for the physical development of the Marina del Rey site, Los Angeles County asked its consultants to determine whether the project would be economically feasible and desirable for the County.¹ The major questions apparently were:

- 1) Is it suitable for the County to purchase land and carry out the basic public works needed for a marina at this site?
- 2) If the County can do this, what should its further role be in development and operation of the Marina?
- 3) What pattern of land and water use would be most desirable for County government and for the community as a whole?
- 4) Presuming that some of the funds needed for capital investment would be borrowed, how much would be required and what is the most appropriate mechanism for borrowing?

The answers to such questions depend largely on estimates made concerning capital costs, operating costs, revenues, and benefits to the community resulting from the Marina. The "opportunity costs" of benefits foregone from other projects which might have been undertaken in lieu of the Marina and from other possible internal arrangements of the Marina should also be considered.

The first detailed economic study was conducted by George F. Nicholson,
 Consulting Engineer, in 1956 for the County Engineer.² This study displays
 two schematic plans, Alternate No. 2, based on a County Engineer's
 proposal, is much like the form of the Marina as it exists today. Costs,
 revenues, and benefits were estimated for a thirty year period. Two years
 later, Coverdale and Colpitts, Consulting Engineers, prepared a report
 for the Board of Supervisors. They took as given the plan presented as
 Alternate No. 2 in Nicholson's report and his cost estimates for it.³ They
 also introduced some refinements into the long-run financial analysis. In
 1959, Coverdale and Colpitts rechecked the principle data and modified
 some of their estimates. This later report was submitted to Stone and
 Youngberg,⁴ Municipal Financing Consultants in San Francisco.

In 1960, Gruen Associates, Architects, Engineers, and Planners produced
 land use studies based on updated information concerning costs and revenues,
 which strongly influenced the County's leasing program.

Analysis Methods.

There are two basic ways of structuring the analysis of the desirability
 of any public investment. Cost-revenue analysis considers estimates of
 the dollar expenditures and revenues for a particular governmental unit to
 see if the project is financially feasible. A governmental unit often feels
 it can justify certain projects only if they pay for themselves. This was
 apparently true for Marina del Rey.⁵

Cost-benefit analysis takes into account all of the gains and losses, intangible as well as tangible, sustained by a defined population group, such as the population of Los Angeles County. Much of the criticism of public projects such as urban renewal, highway construction, etc. results from governmental use of costs and revenues while citizens are looking at costs and benefits.

The Nicholson and Coverdale-Colpitts studies use the cost-revenue framework almost exclusively. There were attempts, in the Nicholson and the Corps of Engineers reports to identify benefits and to compute an annual benefit-cost ratio.⁶ These do not appear to be serious studies. No information is provided about the methods for benefit estimation, the list of intangible benefits is obviously incomplete, and intangible costs are not discussed. Furthermore, an increase in tax revenue is listed as the major local benefit--\$1,417,810 out of \$1,997,886 total local benefits. But most of these taxes are merely a transfer, for County residents, from the private to the public sector. Since such a transfer does not add anything to the community well-being, it cannot be called a benefit to the County. Only taxes from visitors residing outside the County are a benefit even in this limited sense.

Unfortunately, even after it is clear that a project is financially feasible, i.e., that it will more than break even in the long run, government often

continues to make decisions about the project as if profit maximization were the only goal. It would seem more reasonable to set reaching the break-even point as a necessary condition for undertaking some projects. Beyond this point, the criteria should shift to costs and benefits for the community as a whole. The distribution of benefits among population subgroups should also be examined.

Of course we cannot ignore the difficulty of getting some projects to the break-even point. Marina del Rey was such a project. For example, in 1956 it was necessary for the Small Craft Harbor Commission to obtain a loan from the County general fund to meet cost of operations after bond requirements were met. Until 1966 it was not clear that private investors would be able to get financing for their proposed development. Today, however, the project is clearly a financial success.

Development Costs

The overall development costs for a marina depend on the size of the project and the extent to which new waterways, landforms, and structures vary from previously existing conditions. Capital costs can be divided into six categories: planning, site acquisition, basic structures, secondary structures and landscaping, buildings, and interest. The following information about the costs in these categories is taken from the Nicholson and Coverdale-Colpitts reports, the "Marina del Rey Reporter," and the "Marina del Rey Fact Sheet." Some figures are consultants' estimates and

some are actual costs. The latter were used when available since early estimates are likely to be inaccurate.

Planning. This includes all engineering, economic, and land use studies done up to 1959. Actual expenditure: \$543,000.⁷ The cost of later land use plans are not known.

Site acquisition. Nicholson used the County Engineer's estimate of 1954 which indicated a total land cost of \$2,000,000.⁸ In 1959, after acquisition, actual land acquisition costs were found to be \$9,286,834⁹ with clearance costs an additional \$2,433,000.¹⁰ Of this total, the State of California provided a loan of \$2,000,000.¹⁰ Los Angeles County paid the remainder out of its general fund. The great discrepancy between estimated and actual costs was apparently due to inflation and the growing awareness of the site's potential value between 1954 and the time of purchase in 1958-1960.

Basic structures. The dredging of channels and basins, the construction of jetties, rip-rap, and mole bulkheads were estimated by Nicholson to cost \$9,697,000.¹¹ The actual cost is not available.

A breakwater was added to the project after storms caused extensive damage to boats and slips in the winter of 1962-63. This resulted in an additional cost of \$4,200,000.

The Federal government paid a total of \$4,600,000 toward dredging, construction of the main navigational features, and construction of the breakwater. 12

Secondary structures. The estimate made by Nicholson for roads, walkways, parking areas, the boat launching facility, sewers, utilities and landscaping was \$3,361,000. ¹³ The actual cost is not available. These publicly owned structures were paid for by County government and the revenue bond issue. The perimeter road system was paid for out of County Road funds in the amount of \$775,000.

Buildings and slips. Most buildings in the Marina are owned by lessees-- --apartments, restaurants, stores, etc. as are all privately used boat slips. Public buildings include the administration building, Coast Guard Station and restrooms.

Up to July 1971, \$105,000,000 had been invested by private developers. The County expects total private investment to reach \$160,000,000 or ¹⁴ more when all sites are being used. This is vastly greater than Nicholson's ¹⁵ 1956 estimate for private investment which was \$11,747,000.

Interest during construction. The Nicholson study did not include any amount for interest due on loans during the period of construction when no revenues are being received. This is properly a capital cost, as the ¹⁶ Coverdale and Colpitts study points out. They proposed that five years

interest be included in the bond issue which is intended to cover capital costs. This amounted to \$3,437,500.

Capital cost summary. It is difficult to compare categories within the cost estimates with actual costs since they have not been aggregated in a consistent manner. However we can display the total capital costs, estimated and actual, for the Federal government, the County Road Fund¹⁷ and Los Angeles County.

	Federal	County Road Fund	County	Total
Nicholson (1956 estimate)	2,177,000		12,264,000	14,441,000
Coverdale & Colpitts (1959 estimate)	2,320,000		17,120,000	19,440,000
Dept. of Small Craft Harbors (1971 actual)	4,600,000	775,000	30,875,000*	36,250,000

*These "County costs" include the \$13,000,000 in revenue bonds which is really a private investment in the Marina.

Obviously, the actual public costs are greater than early estimates. A large part of this is due to inflation but another part is the result of increased intensity of development beyond early expectations. The cost of private development, as mentioned earlier, may be 15 times as much as originally predicted. A higher investment of private funds requires a higher investment of public funds for support facilities.

Operating costs. The annual costs to be borne by the County in operating Marina del Rey are a function of the scale and intensity of development, the range of activities occurring there, and the degree of involvement by County agencies.

Coverdale and Colpitts suggested that the Department of Small Craft Harbors limit its role to "...the administration of leases and the collection of rents, supervision of the aquatic activities, and maintenance of utilities, and that with one exception (public parking), the County will not be involved in any operation of facilities producing revenues." ¹⁸ Apparently this is the County's policy today. Therefore, public operating costs should be relatively low.

The Nicholson study listed the following annual operating costs for County government. ¹⁹

Maintenance	39,144
Utilities	5,000
Depreciation	56,820
Administration	87,000
	<u>\$187,964</u>

Coverdale and Colpitts' report states that the Department of Small Craft Harbors expected to spend the following amounts annually: ²⁰

Salaries and Wages	285,000
Other Maintenance and Operation Costs	<u>121,000</u>
	\$406,000

This is in addition to a sum of \$24,000 per year which would be used for new capital improvements.

Coverdale and Colpitts also suggested that total capital expenditures should be increased to \$450,000 to cover the cost of additional ground maintenance and the salaries of traveling auditors who would periodically
21
examine the books of lessees.

Revenues. The Marina was to receive from lessees either a minimum land rent or payment of a percentage of their gross income, which ever
22
was greater. Some direct income from parking lots, etc. would also accrue to the Marina. The County as a whole would receive sales taxes and property taxes on the "possessory interest" of the lessees. Obviously the amount of these revenues will depend on the types of enterprise which have been developed and their financial success.

The Nicholson report provides the estimates shown in the table on the
23
next page for the Marina after all development is complete.

Coverdale and Colpitts used a similar system for categorizing revenues. They did a much more thorough job of explaining how estimates were made. Their estimates for complete development, expected by 1964
24
are shown in the table on page 46. To reduce risk to the County, Coverdale and Colpitts suggested a minimum annual rental for each lessee
25
to be set at \$.06 per s.f. of land regardless of his gross income. This would at least meet the County's annual operating and interest charges.

According to a recent report of the Department of Small Craft Harbors,

Annual Revenue Estimates--George F. Nicholson, 1956

Activity	Units	Gross Income	Rate	County Revenue
Mooring slips	5,400 slips	\$1,944,000	25%	\$501,000
Boat storage and launching	2,000 boats stored 10,000 launching	120,000	25%	30,000
Marina chandlers		2,700,000	4%	120,000
Restaurants		2,000,000	4%	80,000
Motels	510,000 s.f.		\$.15/s.f.	76,500
Boat repair	250,000 s.f.		\$.10/s.f.	25,000
Sport fishing	115,000 passengers	400,000	10%	40,000
Industrial and commercial uses	2,500,000 s.f.		\$.10/s.f.	250,000
Clubs	64,000 s.f.		\$.10/s.f.	64,000
Trailer courts	400,000 s.f.		\$.10/s.f.	40,000
Fuel sales	2,520 motor boats	252,000		12,000
Boat sales		2,000,000	3%	60,000
Permits				15,000
Public telephones			9½%	30,000
Parking	2,167 meters		\$24/meter	52,000
Total annual county revenue				\$1,338,500

Annual Revenue Estimates--Coverdale and Colpitts, 1959

Activity	Units	Gross Income	Rate	County Revenue
Anchorage-slips	6,100 slips	\$1,976,400	25%	494,100
Boat storage and launching	3,000 boats stored 72,000 launchings	324,000	25%	81,000
Marine chandlers		1,825,000	6%	109,500
Restaurants	2 independent 4 club 20 snack bars	4,000,000	5%	200,000
Boat repair		2,000,000	6%	120,000
Boat sales	\$5,700,000 sales	460,000 (commissions)	20%	92,200
Fuel sales	4,000,000 gallons		\$.03/gal.	120,000
Clubs	3,200 members	576,000	15%	86,400
Cabanas	1,000 units	2,700,000	15%	405,000
Cabana-trailers	650 units	592,000	20%	120,000
Parking				304,000
Miscellaneous	39 sport fishing boats 10 stores, etc.			135,000
Total annual county revenues				\$2,267,200

revenues now exceed \$3 million annually and are increasing.²⁶ It is interesting to note that estimates for revenues did not change as much due to the effects of inflation as did the estimates for costs. Some of this stability is due to fixed lease conditions.

Economic justification. For a project such as Marina del Rey to be financially feasible to the County on a cost-revenue basis, the sum of discounted future net revenues must exceed total expenditures.²⁷ This is roughly equivalent to the basic model used by Coverdale-Colpitts with respect to the bond issue. It shows that the estimated revenues for 15 years will more than repay a bond issue of \$12,500,000 and compound interest of 5½% each year on the outstanding bonds.²⁸ At the same time a reserve fund could be accumulated from excess revenues in the amount of \$1,877,000. Using another repayment scheme, if total debt service payments, interest and principle were kept level for thirty years, a reserve fund in excess of \$40,000,000 could accumulate.²⁹ The major differences (1) between pure cost-revenue analysis and the Coverdale and Colpitts approach are the cash-flow problem which became extremely important in this case and (2) the fact that only a limited part of the costs and revenues are considered.

Coverdale and Colpitts point out that their study is based on a conservative estimate of revenues. By 1959 they had revised their revenue estimates upward so that the 15 year scheme showed payment of a \$13,000,000 bond

issue with a \$4,479,000 reserve fund accumulation.³⁰

Public and Private Roles

In this section, we will bring together information about public and private support of Marina del Rey development.

Federal. The U.S. Army Corps of Engineers paid for 50% of the cost of design and construction of the Marina's general navigational facilities. This includes channel dredging, jetties, and the breakwater. In addition the Corps contributes to the maintenance of these features.

The U.S. Coast Guard installed and maintains aids-to-navigation outside the channels. The Coast Guard also operates a rescue station at the Marina.

State. The State of California has supported the Marina in several ways. The first is through planning done by the Small Craft Harbors Commission and the Division of Small Craft Harbors. In 1962, they commissioned a state-wide master plan for boating facilities, which was completed in 1964.³¹ Basically it is a long-range plan for Marinas as "harbors of refuge." The document also includes a survey of present and projected boat ownership and a description of existing facilities. The State also provided a loan of \$2,000,000 to the County to pay part of the cost of land acquisition. These funds were provided from the State Lands Act

Fund, which was essentially General Fund money. The loan was authorized by State Assembly Bill 1784 in 1957. The loan period is 35 years after the first payment with an interest rate of 3 percent on the unpaid balance from the time of the loan. The first payment is expected before July 1972.

At least one-half of the Marina's net revenues, after revenue bond requirements are met, must be applied to this loan.

County. The total share of Marina capital costs to be paid by Los Angeles County amounts to \$17,875,000.³² Of this, \$15,875,000 apparently came entirely from the County general fund. The \$2,000,000 State loan is included in the amount. An additional \$13,000,000 was derived from the sale of revenue bonds in 1959. A large part of the general funds were needed to cover the cost of land acquisition and clearance beyond \$2,000,000. In addition, some general fund money was loaned to the Marina to meet maintenance and operating expenses when revenues were not sufficient. This amount has since been paid back. Special State legislation and a resolution of bondholders was necessary to allow the latter expenditures.³³

The construction of the peripheral road system, which cost \$775,000 was paid for out of the County Road Fund.

In addition to the capital investments listed above, the County obviously has continuing costs associated with internal operations of the

Marina such as the provision of public services. The need for improvement of major streets near the Marina is also due in part to traffic generated by it. All such costs, whether paid by the State, County, or City must be considered in estimating the overall effect of Marina development.

The revenue bond principal and interest are to be paid off no later than October, 1999. The loan from the County general fund was to be repaid next in priority after operating and maintenance costs and bond interest payments. Presumably there is no obligation to repay the remaining County investment directly. However the estimated net increase in County taxes due to the development of the Marina may cover past and future general fund contributions by 1999. Property taxes for 1970-71 were \$4,100,000 with an additional \$330,000 in sales taxes and \$55,000 in motel bed taxes.

The revenue bond approach was approved by Los Angeles County in 1956 when two-thirds of the voters accepted a proposition stating:

"Shall the Board of Supervisors of the County of Los Angeles be authorized to adopt the revenue bond method of financing small boat harbor improvements and facilities for public convenience in conjunction therewith, as provided by in Chapter 14, Part 2, Division 2, Title III of the Governmental Code of the State of California?"

This allows the County, after the approval of the Board of Supervisors, to sell bonds for the construction of additional marinas. The amount of indebtedness is limited only by bond buyers' willingness to invest, which is in turn dependent on the expected demand for marina facilities, the soundness of the County's proposal, and the interest rate offered.³⁶

However, the County can be expected to be conservative since it must be concerned with its financial rating.

Bonds for the Marina del Rey were each of \$1000 denominations, carrying an interest rate of 5.6 percent. They are to be redeemed according to an increasing schedule beginning with \$130,000 in 1965 and ending with \$810,000 in 1999.³⁷

A number of accounts were established by the Bond Resolution to assure proper financial behavior from year to year. For example, the Bond Interest Reserve Account must contain an amount "...equal to the greater of (a) \$250,000 or (b) the aggregate amount of interest due and payable on all bonds at the time outstanding on the next three succeeding interest payment dates."³⁸ Other accounts are Bond Interest, Bond Redemption, Maintenance and Operation Reserve, Construction, State Payment, County Rental, Replacement, and Improvement accounts. In total, these requirements amounted to about \$3,000,000. Funds in these accounts may be invested in general obligation bonds of the United States government.³⁹

The County may not incur additional indebtedness for development of the Marina del Rey except under specified conditions. No part of the Marina may be used by any public or private organization without
40
compensation to the County.

Private. Developers of Marina land and water facilities must obtain private financing for their projects. Some large developers may use their own resources but ordinarily they rely on lending institutions. This means that the projects must be well justified financially.

Each prime lessee obtains the use of a land and/or water parcel by competitive bid, usually for 60 years. His project must meet requirements established by the Director of the County Department of Small Craft Harbors, the County Engineer and the Marina Design Control Board. Minimum rental rates vary with the type of land or water use, but ordinarily the rate is a percent of gross receipts of the lessee.

Subleases are allowed with the approval of the Director, and are quite
41
common. All leases contain provisions for periodic renegotiation in
42
order to make adjustments for changing economic conditions.

The Department of Small Craft Harbors regularly audits the accounts of the lessees to see that proper payment is being made to the County. Prices charged by lessees must be approved by the Director as being "...fair and reasonable, based on the following considerations. First,

that the property...is intended to serve a public use and to provide needed facilities to the public at a fair and reasonable cost; second that Lessee is entitled to fair and reasonable return upon his investment..."

Improvements and personal property of lessees are subject to property taxation, as is possessory interest in leases.

Land Acquisition

It was mentioned earlier that the area north of the Ballona Creek Flood Control Channel was low enough so that it was susceptible to periodic flooding. For this reason much of the land there was devoted to low intensity uses such as agriculture, oil fields, and gun club hunting preserves. In addition there were many large parcels which would simplify acquisition. It is not surprising therefore that this area was often considered for a large, ocean-oriented development. Originally, the proposed small craft harbor was to have been a City and County of Los Angeles project. The Los Angeles City Council adopted a report declaring that in the public's interest the City and Council required provision of additional small craft facilities. In 1948, the County Board of Supervisors adopted a similar resolution. It was suggested that the County proceed with initial acquisition and development of the pilot phase, within County territory. If this initial work proved successful, then a harbor authority would be created under a joint powers agreement to carry out development of the remainder of the proposed development.

In 1949, the County began to withhold from sale all property within the
proposed Marina site which was taken by it because of tax delinquency. 45
It was hoped that the State would purchase the required land and lease it
to the County but the State Attorney General ruled that this was not
possible. In 1958, the County was able to obtain the \$2,000,000 State
loan for land acquisition, to augment the County's investment.

On October 23, 1956, the Los Angeles County Board of Supervisors
issued a formal order instructing the County Counsel to file condemnation
action on all private property rights within the approved site of the
proposed Playa del Rey Inlet and Harbor. 46

Between March 1957 and January 1963 several hundred parcels were
purchased by the County. Many of these parcels were on land near the
beach which had been subdivided for residential use. The larger
parcels were further inland and were often owned by corporations or
clubs. The latter comprise most of the total of about 800 acres.

Land Use Plans, 1960

On May 1, 1960 Gruen Associates submitted A Development Plan for Marina del Rey Small Craft Harbor to Los Angeles County. Some revisions were made

47

on September 15, 1960. The introduction to the development plan states that, "The basic land use plan, the technical details and economic aspects of the Marina del Rey project have already been studied by the Department

of Small Craft Harbors, Coverdale and Colpitts, George F. Nicholson and

48

Associates, and the U.S. Corps of Engineers." The Gruen work, therefore,

49

is based on a study and review of previous efforts. Although it is true

that the outlines of the Marina, both exterior boundaries and land/water

lines, were set at the time that the Gruen development plan was undertaken,

and that several important land and water use policies seem to have been

agreed upon by the County and previous consultants prior to Gruen's work,

it remained for this plan to allocate recommended uses to specific areas;

to detail the parcelling of land; to relate activities, facilities, revenue

potentials, densities and circulation within the Marina; and finally, to

consider the whole in relation to the surrounding area. Thus the Gruen plan

is the first comprehensive land use planning effort applied to the Marina, and

undoubtedly the major planning influence on its eventual development.

Leasable areas. In considering the Gruen plan, parallels naturally appear

between its recommendations and those made in previous studies, referred to

above. The parallels must not be drawn too closely with regard to the areas

allocated for specific uses, since the gross areas assumed by the consultants varied somewhat.

<u>Gross Area in Marina del Rey (square feet)</u>		
Nicholson Plan	33,715,440	50
Alternate Plan No. 2	39,988,080	51
Corps of Engineers, Design Memorandum No. 1	35,893,440	52
Gruen Associates	33,976,800	53

In their economic feasibility study, Coverdale and Colpitts did not provide a figure for gross area, but use instead figures for square feet of leasable areas.

<u>Leasable Area in Marina del Rey (square feet)</u>				
	Land	Water	Total	
Coverdale and Colpitts	12,908,000	6,106,000	19,014,000	54
Gruen Associates	17,472,723	6,337,766	23,810,489	55

Based on a figure of 35,893,440 square feet, Coverdale and Colpitts estimated approximately 16,969,440 square feet in non-leasable area such as roads, public parking lots, public recreational areas, administration centers, etc. Gruen Associates allowed only 10,166,311 square feet to be non-leasable out of 33,976,800 square feet gross area. A few

of the reasons that Gruen was able to reduce non-leasable area in comparison with the Coverdale and Colpitts estimate are as follows:

1. The area actually acquired was almost 2,000 square feet less than the 1958 estimate of area to be acquired.
2. Elimination of two of the three public beaches proposed in Alternate No. 2 on which Coverdale and Colpitts' recommendations are based. 56
3. Elimination of three recreational areas proposed in Alternate No. 2. 57
4. Reduction in acreage allotted to administration facilities. 58
5. A more efficient internal circulation plan which is estimated to have eliminated approximately a mile of roads.

A single factor increasing non-leasable area is public parking, for which 1,349,300 square feet is provided in the Gruen Revised Development Plan and only 1,006,000 square feet in Coverdale and Colpitts recommendation.

Thus, working with a gross area smaller by 1,916,000 square feet than the area of Alternate No. 2, Gruen Associates achieved a leasable, or revenue-producing area larger by approximately 4,791,000 square feet than that estimated by Coverdale and Colpitts, based on the Alternate No. 2.

While part of this increase may be attributable in increased efficiency of the site arrangement, a major part must be considered the result of a change in policy regarding the ratio of revenue producing use to non-revenue producing use of Marina acreage. The need to meet development

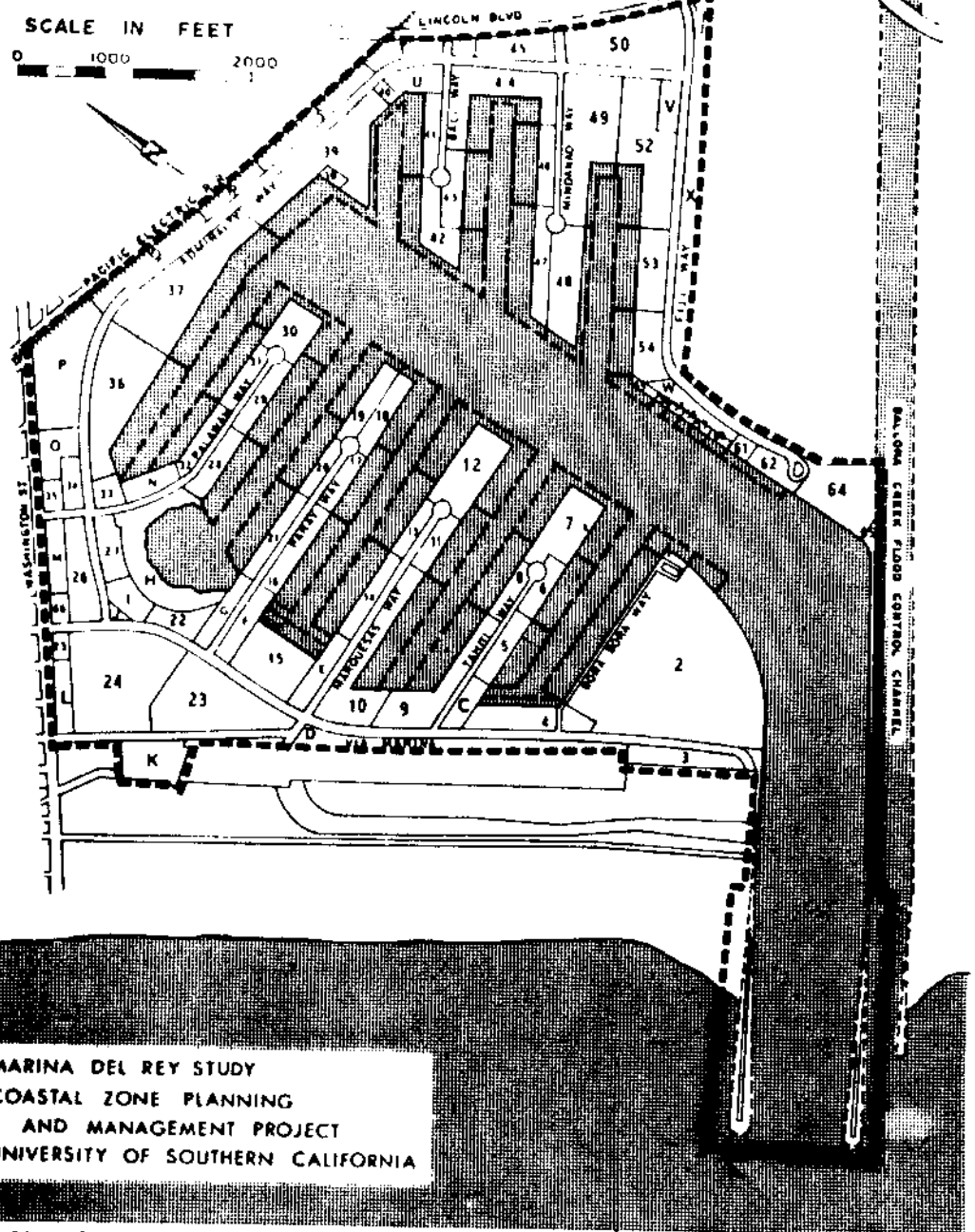
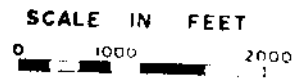
and financing charges may have dictated this altered policy, which required the elimination of two public beaches and three recreational areas.

The Gruen land use plan. In general, the Gruen Plan is based on the standard planning policy of separation of uses. The west side of the Marina was planned for boat anchorages and related residential uses, the east side for marine-related and general commercial areas: boat launching facilities, sports fishing, piers and hotels and motels, with marine-related industrial uses located along a section of the south-eastern boundary. The plan, with the single exception of the remaining public beach, thus separated the activity patterns of the boat-owning and resident users of the Marina from the more casual boaters, visitors and shoppers.

Protection of slip renters and residents in the Marina from the general public was a matter of concern to several of the consultants. Madigan-Hyland recommended toll gates at Marina entrances, for which renters would have a pass. Coverdale and Colpitts suggested that a curfew on the use of public parking, and thus on nonrenting members of the public in the Marina was "essential (so) that such activities of the public should not interfere with the comfort and convenience of those on leased property, especially those in cabanas and cabana-trailers, and others living on the site." The Gruen approach, that of separating activities

is less rigid than either toll gates or a curfew hour, and is far more sensitive to the implications of publicly owned property.

Specific allocations of use to land and water parcels is shown on the plan, and in the accompanying tables. Some sectors of the Development Plan of more than routine interest to this study will be considered below.



MARINA DEL REY STUDY
COASTAL ZONE PLANNING
AND MANAGEMENT PROJECT
UNIVERSITY OF SOUTHERN CALIFORNIA

SOURCE: VICTOR GRUEN ASSOCIATES

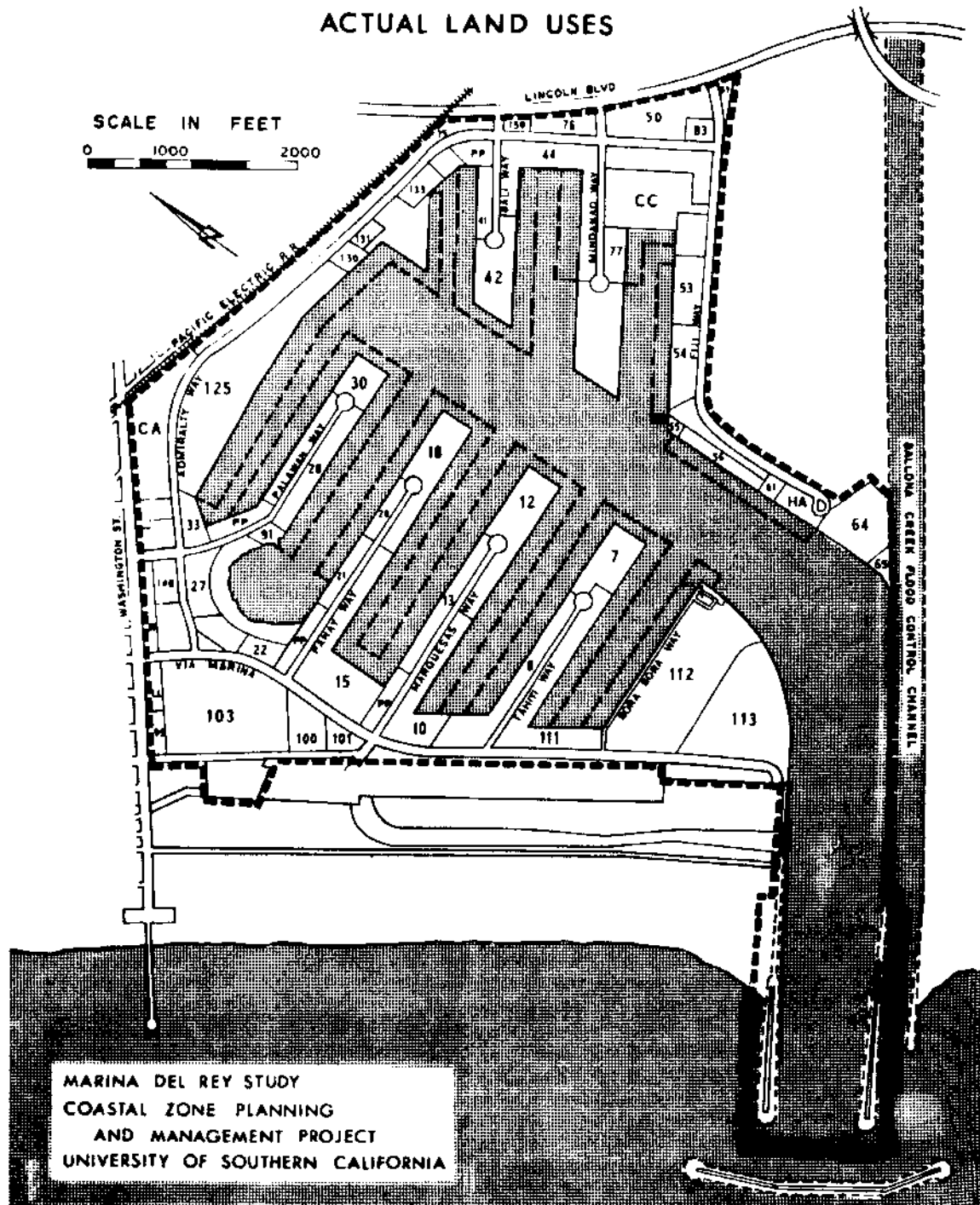
Proposed Land Uses - Gruen Associates 1960

<u>Parcel Number</u>	<u>Land Use</u>	<u>Parcel Number</u>	<u>Land Use</u>
1	Fuel Dock-Related Uses	2	Hotel-Motel-Restaurant-Club-Related Use Anchorage-Related Uses
3	Cabanas-Apartments	4	Boat-Boat-Cabanas-Apartments Anchorage-Related Uses
5	Anchorage-Related Uses	6	Anchorage-Related Uses
7	Cabanas-Restaurant-Club Anchorage-Related Uses	8	Anchorage-Related Uses
9	Boat-Boat-Cabanas Anchorage-Related Uses	10	Boat-Boat-Cabanas Anchorage-Related Uses
11	Anchorage-Related Uses	12	Cabanas-Restaurant-Club Anchorage-Related Uses
13	Anchorage-Related Uses	14	Anchorage-Related Uses
15	Boat-Boat-Cabanas Anchorage-Related Uses	16	Anchorage-Related Uses
17	Anchorage-Related Uses	18	Cabanas-Restaurant-Club Anchorage-Related Uses
19	Cabanas-Restaurant-Club Anchorage-Related Uses	20	Anchorage-Related Uses
21	Anchorage-Related Uses	22	Misc. Retail-Concessions
23	Motel-Hotel-Restaurant Trailer-Cabanas if Zoning Permits	24	Hotel-Motel-Restaurant Trailer-Cabanas if Zoning Permits
25	Gasoline Station	26	Hotel-Motel-Restaurant

<u>Parcel Number</u>	<u>Land Use</u>	<u>Parcel Number</u>	<u>Land Use</u>
27	Cabanas-Coffee Shop-Misc. Retail-Concessions	28	Anchorage-Related Uses
29	Anchorage-Related Uses	30	Cabanas-Restaurant-Club Anchorage-Related Uses
31	Anchorage-Related Uses	32	Anchorage-Related Uses
33	Restaurant	34	Drive-In Restaurant, Etc.
35	Gasoline Station	36	Cabanas-Apartments-Motel Coffee Shop-Anchorage Related Uses
37	Cabanas-Apartments-Motel Coffee Shop-Anchorage Related Uses	"0"	(Add to Parcel 37)
38	Fuel Dock-Related Uses	39	Hotel-Apartment-Restaurant Marina Sales-Related Uses Anchorage-Related Uses
"S"	(Add to Parcel 39)	40	(Reserved for Fire Station)
41	Anchorage-Related Uses	42	Boatel-Cabanas-Restaurant Clubs-Anchorage-Related Uses
43	Anchorage-Related Uses	44	Portable Boats and/or Marine Sales-Related Uses Portable Boats and/or Anchorage
45	Motel-Commercial-Related Uses	46	Anchorage-Related Uses
47	Anchorage-Related Uses	48	Portable Boats (Storage & Launching) Related Uses
49	Portable Boats (Storage & Launching) Related Uses Portable Boats (Trailer Boats)	50	Shopping Center-Office Building

<u>Parcel Number</u>	<u>Land Use</u>	<u>Parcel Number</u>	<u>Land Use</u>
51	Gasoline Station-Carwash Repairs-etc.	52	Portable Boats (Storage & Launching) Trailer Boats and/or Boat Repair-Anchorage Related Uses
53	Boat Repair-Anchorage Related Uses	54	Boat Repair-Anchorage-Related Uses
55	Fuel Dock-Related Uses	56	Sports Fishing-Related Uses
57	Sports Fishing-Related Uses	58	Sports Fishing-Related Uses
59	Sport Fishing-Related Uses	60	Sport Fishing-Related Uses
61	Restaurant & Guest Docks	62	Administration Building
64	Trailer-Cabanas-Apartments & Related Uses	65	University Boat House
66	Gasoline Station	67	Medical Building
A	Public Parking	B	Park Site
C	Public Parking	D	Buffer Strip
E	Public Parking	F	Public Parking
G	Public Parking	H	Public Beach
I	Public Parking	J	Park Site
K	Experimental Garden & Maintenance	L	Public Parking
M	Public Parking	N	Public Parking
O	Public Parking	P	Drainage Basin
Q	See Parcel "37"	R	Public Parking
S	See Parcel "39"	T	Public Parking
U	Public Parking	V	Public Parking
W	Public Parking	X	Buffer Strip

ACTUAL LAND USES



ACTUAL LAND USE 1971

<u>PARCEL NUMBER</u>	<u>LAND USE</u>	<u>PARCEL NUMBER</u>	<u>LAND USE</u>
1	Union Oil Marine Fuel Dock	7	Tahiti Marina
8	Islander Marina	10	Neptune Marina Donkin's Restaurant
12	Deauville Marina Captain's Wharf Restaurant	13	Villa Del Mar Marina
15	Bar Harbor Marina	18	Dolphin Marina Randy Tar Restaurant
20	Trade Winds Marina Pacific Mariners Yacht Club	21	Holiday Del Rey Marina
22	Foghorn Harbor Inn Chuck's Steak House	27	Jamica Bay Inn Kelley's Steak House Marina Area Chamber of Commerce
28	Mariners Bay Slip Rental Venice Yacht Club	30	Del Rey Yacht Club
33	Lobster House Restaurant	41	Del Amo Marine Center
42	Marina Del Rey Hotel Windjammer Restaurant Don the Beachcomber	44	Cyrano's Restaurant Corinthian & Windjammers Yacht Club Santa Monica Yacht Club
50	Marina Shopping Center U.S. Post Office Mr. "D" Restaurant Marina Del Rey Theater	51	Union Oil Service Station
53	Chris Craft Pacific	54	Windward Yacht & Repair
55	Union Oil Marine Fuel Dock	56	Fisherman's Village El Torito Restaurant Port D' Italy Restaurant

<u>PARCEL NUMBER</u>	<u>LAND USE</u>	<u>PARCEL NUMBER</u>	<u>LAND USE</u>
61	Pieces of Eight Restaurant	64	Villa Venetia Apartments
65	U.C.L.A. Boat House	75	Del Rey Professional Building, Bird Conservation Area
76	Airport-Marina Freeway Building	77	Stor-a-Boat
83	Central Directory East Entrance	91	Sail Boat Rental/Storage
95	Bratskeller Restaurant	97	Shopping Center West
100/101	Del Rey Shores North/South	103	South Bay Club Apartments
111	Marina Point Harbor	112	Pacific Harbor Apartments
113	Mariners Village	125	Marina City Corporation Second Storey Restaurant The Basement Discotheque
130	Charley Brown's Restaurant	131	The Fiasco Restaurant
132	California Yacht Club	133	Surety National Bank The Warehouse Restaurant
140	The Admiralty Apartments	150	Marina Federal Savings & Loan
BB	Loyola Boat House	CC	Launching Ramp
LL	Central Directory-North Entrance	PP	Parking
HA	Harbor Administration U.S. Coast Guard	CA	Conservation Area

Residential uses. Probably the greatest deviation in the Marina as planned from the Marina as developed appears to be in the very large number of permanent residents living in Marina apartments. By the end of 1970 there were 2,223 residential units at the Marina, with 5,095 planned for completion by mid 1972. Yet apartments were not mentioned in any of the consultant work of preliminary planning for the Marina. Rather, "cabanas" were considered feasible.

Alternate No. 2 shows the moles and basins surrounded by areas labelled "future residential development." Indeed Nicholson's criticism of the scheme included the comment that, "There appears to be an overemphasis on residential development and insufficient areas set aside for commercial and recreational development." ⁶² Yet, in Nicholson's work, only motels and trailers are mentioned as residential units. Presumably the Marina was to be surrounded by a most extensive trailer park.

Coverdale and Colpitts include only cabanas and cabana trailers as residential units. They describe cabana areas as available for "living quarters such as are provided in motels as well as in individual cabanas." ⁶³

Cabana trailer areas are "not in the nature of trailer parks. They are not intended for the itinerant trailer owner. The trailer, once located at the site, must remain there." ⁶⁴ Coverdale and Colpitts make it clear that the majority of occupants of both areas are expected to be permanent residents; they provide no recommendation for trailer parks.

Gruen Associates include motel-hotels, boatel-cabanas and trailers in their categories of living accommodations in the Marina, with varying densities and height limitations assigned to them.

Much of the consultants' seeming confusion in defining residential structures, as well as their omission of apartments from approved land uses, stems from legal advice provided to the County to observe caution in locating apartments in the Marina. It was uncertain at that time that apartments would be considered a proper use of public land acquired for a small craft harbor. ⁶⁵ This made it difficult to obtain title insurance for apartments.

Gruen handled this problem by categorizing residences as boatels or cabanas which are "primarily a home ashore for persons spending as much time afloat as possible." ⁶⁶ Height regulations for these living accommodations were three stories when located at either end of a mole. The central sections of moles were reserved for anchorages and related use. Structures on parcels located between the western Marina boundary and the peripheral road had no height limitations applied to them. Suggested uses for these parcels were motels, hotels, and cabanas and varying densities were supplied for each of them. All parcels at the north end of the Marina were similarly zoned and unrestricted as to height. Apartments were not mentioned in the May 1, 1960 plan.

Among the revisions to the original Gruen development plan, submitted in September of 1960, the word "apartment" was added to the suggested uses for six parcels, all except one located in the northern and western areas enjoying unrestricted height zoning. Because of the definitions used, the varied density regulation, and the distribution of height restrictions, no changes were necessitated by the addition of the apartment category. In effect, it had already been provided for.

This initiation of approved locations for apartments began a broadening policy for this use so that, at present, apartments fill most of the parcels in the northern and western sections on both mole and peripheral locations. There are no cabanas, cabana-trailers or house trailer parks in the Marina.

Non-revenue producing areas. In 1960, when the Gruen plan was presented to the County, the most urgent consideration for the Marina was to insure that it produced enough revenue to meet the financial obligations incurred by the bonds. The plan is responsive to this pressure. Gruen Associates have worked toward minimizing non-revenue/productive land and water area in relation to areas planned for uses which would return a profit to the County. 67

It would be poor government policy, however, to exclude the general public entirely from a recreational project acquired and developed in large part with

public funds. Gruen Associates recognized the problem of establishing a balance between the County's financial responsibility to private investors and its need to satisfy some recreational demands for the general public.

In essence, the Gruen approach to this problem was to require that by efficiency, by good planning practice and by closely administered controls, a minimum area allotted for public use would return a maximum satisfaction of public demand.

Parks and recreation: Of the total 17,472,723 square feet of land in the Marina, Gruen allocated approximately 2.2% for "Parks and Recreation" (Including Beach, Buffers, etc.) as follows:

Parcel	Use	Development Plan (May 1960)	Revised Development Plan (Sept. 1960)
B	Park Site	18,000 sq. ft.	14,725 sq. ft.
D	Buffer Strip	43,000 sq. ft.	14,863 sq. ft.
H	Beach	380,000 sq. ft.	280,604 sq. ft.
J	Park Site	17,200 sq. ft.	18,170 sq. ft.
X	Buffer Strip	<u>59,800 sq. ft.</u>	<u>62,797 sq. ft.</u>
		Total	391,159 sq. ft.
		518,000 sq. ft.	

A serious effort is given to making this small area an effective increment in the development plan.

Los Angeles Lake, a salt water lake of approximately 364,000 square feet included in Alternate No. 2 provides the largest area in the Marina for public recreation. Every square foot is planned for use; a sand beach and picnic area, calm water for swimming bordering the beach, and for sailing dinghy-size boats in the wazer between the basin docks and the swimming area make up the facility. Two motels are placed to border the beach. A launch area is provided on the beach for hand-carried small boats. Two of the four public restrooms in the entire Marina are located here. Concessions provide rental boats, sailing instruction and refreshment and the whole is supported by 392,040 square feet of parking area, enough for 1150 cars.

Landscape areas: The importance of creating attractive surroundings in the limited areas open for public use is underscored in the Gruen plan.

Public parking lots are to include planting areas. Buffer strips bordering the peripheral road are to be landscaped, as is a small site at the main entrance, where a memorial plaque will provide a theme center. A tiny park located on the main channel will provide a pleasant site for boat watchers. Parcels for private use bordering the peripheral road carry mandatory landscaping provisions. Planted divider strips on public roads, underground utility lines, strict sign controls, architectural and design review of all structures, and the prohibition of any curb parking would work together to provide a pleasant prospect for the visitor wherever he was permitted to travel within the Marina.

Planting charts and detailed design diagrams for public areas are included in the plan. Recognizing the difficult soil and climate conditions for planting, Gruen proposed an experimental nursery to develop hardy stock for supply to landscaped areas. All of these provisions lie within the control and are the responsibility of the Marina. Gruen emphasizes that proper design and maintenance of public area "will contribute much to the enjoyment of the Marina and act as an incentive to lessees to provide equally pleasant facilities."

71

Unfortunately, the plans for beautification of public areas remain largely unfulfilled.

Portable boat launching: Unlike other consultants, Gruen Associates did not believe that portable boat launching would be a remunerative use of Marina land. They foresaw that the amount of space on land required to park cars and trailers, and the amount of protected water area required for boat maneuvering and boats waiting for retrieval would be extremely expensive in terms of Marina resources. Nonetheless they recognized that, as with public recreation areas, this demand from the non-renting general public would have to be met to some extent. In the Gruen development plan 1,197,800 square feet was allocated for portable boat facilities.

After submission, the original plan was evaluated by the Department of

Small Craft Harbors in consultation with Coverdale and Colpitts, economic consultants, as well as Gruen Associates, the authors of the Plan. Replies from more than 200 questionnaires, mailed by the County to prospective lessees for Marina parcels, were examined and considered. The changes made to the original plan were minor, such as the provision for three gas stations rather than two, or revised areas for specific parcels. All of these changes are reviewed in A Development Plan: Revised, submitted by Gruen to the County on September 15, 1960 which, together with the original Plan, constitute the final Master Plan for the Marina.

The provisions for portable boat launching submitted in the original Development Plan met with the criticism that there was more demand for portable boat launching than the plan provided for. Gruen did not accede to the demand but recommended instead that optional use for portable boats be added to the approved uses of two parcels in an adjoining basin. This was done, but the demand for portable boat launching facilities has never been great enough to require more than the facilities originally provided. This is generally attributable to boating conditions at the Marina. Neither the crowded Marina channels nor the often rough open ocean immediately beyond the breakwater provide suitable conditions for sailing boats under 15 feet in length. Fishing in the area is poor and no protected space is allotted for waterskiing.

Conclusions. It is difficult to retain much flexibility in land uses, short of

rebuilding, for a limited area requiring a high intensity of uses such as the Marina. Only two possibilities for flexibility were noted in the Gruen development plan: the first was for portable boat launching facilities, and the second for public parking, which was provided on a generous basis with the comment that any excess could easily be converted to other uses, should the need arise.

The economic necessity which precluded large areas for public use, and required intensive private development of revenue productive areas in the Marina was effectively met by the Gruen plan. It is the achievement of this goal which will make it most difficult to change activities and clients for the Marina when the priorities of needs are seen to change. Rebuilding may take place in private leaseholds at any time. However, increases in public space can be expected only when the Marina's debts are paid, and the demands of the general public can be accorded equal importance with those of private investors.

FOOTNOTES

- 1 The earlier Corps of Engineers reports had been oriented toward the concerns of the federal government.
- 2 George F. Nicholson and Associates, Marina del Rey Economic Study (Long Beach, California: 1956).
- 3 Coverdale and Colpitts, Report on the Economic Feasibility of a Proposed Marina del Rey Small Craft Harbor at Los Angeles, (New York: 1958).
- 4 Coverdale and Colpitts, Supplementary Report (New York: 1959).
- 5 There are public projects which are carried out without regard to the ability to repay costs, e.g. in public schools, hospitals.
- 6 Nicholson (1956) p. 76.
- 7 Coverdale and Colpitts (1959) Tabulation 2 (Revised).
- 8 Nicholson (1956) p. 66.
- 9 Coverdale and Colpitts (1959) Tabulation 2 (Revised). A discussion of the land acquisition process may be found in the next section of this paper.
- 10 "Marina del Rey Reporter" (September 1970) p. 3.
- 11 Nicholson, p. 60-61. Note that all Nicholson's estimates include a percentage for contingencies and engineering design (p.72).
- 12 "Marina del Rey Reporter" (Sept. 1970) p.3.
- 13 Nicholson (1956) p. 60-61.
- 14 "MdR Fact Sheet" (July 1971).
- 15 Nicholson (1956) pp. 60-61.
- 16 Coverdale and Colpitts (1958) p. 50.
- 17 See Nicholson (1956) p. 66; Coverdale and Colpitts (1959) Tabulation 2 (Revised); and "MdR Reporter" (Sept. 1970) p. 3.

- 18 Coverdale and Colpitts (1958) pp. 21-22. Currently, this County also operates the portable boat launch facility.
- 19 Nicholson (1956) p. 57.
- 20 Coverdale and Colpitts (1958) pp. 48-49.
- 21 Coverdale and Colpitts (1958) pp. 21-22.
- 22 The leases are usually for a 60 year period with terms subject to renegotiation after 10 or 21 years and every 10 years thereafter, depending on the amount of lessee investment.
- 23 Nicholson (1956) pp. 41-50.
- 24 Coverdale and Colpitts (1958) pp. 26-47 and Exhibit 3; Coverdale and Colpitts (1959) Tabulation 3 (Revised).
- 25 Coverdale and Colpitts (1958) p. 24.
- 26 "Marina del Rey Fact Sheet" (July 1971).
- 27 This criterion is often written as:

$$\sum_{t=0}^T \frac{R_t - C_t}{(1+i)^t} > C_o$$

C_o : initial investment
 C_t : annual costs, year t
 R_t : annual revenues, year t
 i : market interest rate
 T : last year of planning period

- 28 Coverdale and Colpitts (1958) p. 53 and Exhibit 5.
- 29 Ibid., p. 53 and Exhibit 6.
- 30 Coverdale and Colpitts (1959) Exhibit 5 (Revision No. 2).
- 31 Leeds, Hill, and Jewitt, California Small Craft Harbors and Facilities Plan (San Francisco: 1964). This study was supported by a "701" planning grant to the State from the U.S. Department of Housing and Urban Development.

- 32 "Marina del Rey Reporter" (Sept. 1970) p.3.
- 33 County of Los Angeles, Department of Small Craft Harbors, "Summary of Experience in Small Craft Harbor Planning and Operation," (1966), p. 5.
- 34 Los Angeles Times, "Richer, 'Fatter Marina' Marina Seen By Chace in '72," (December 19, 1971).
- 35 Board of Supervisors, County of Los Angeles. Marina del Rey Revenue Bonds of 1959 (Los Angeles: September 8, 1959; amended September 15 and November 10, 1959) p. 1.
- 36 Note that revenue bonds normally carry a higher interest rate than general obligation bonds since the former depend on the success of a single project rather than the "full faith and credit" of the County.
- 37 Ibid., p. 7.
- 38 Ibid., p. 8.
- 39 Ibid., p. 16.
- 40 Ibid., p. 15
- 41 Standard lease form for parcels in the Marina del Rey Small Craft Harbor (n.d.).
- 42 Los Angeles County, Department of Small Craft Harbors, Information for Bidders, Revision (December 1961).
- 43 "Standard Lease Form," (n.d.) p. 18.
- 44 Los Angeles County, Department of Small Craft Harbors, Information for Bidders, Revision (December 1961).
- 45 Venice Evening Vanguard, "Story of a Marina..." (April 26, 1957).
- 46 Corps of Engineers, (1956) p. 22.
- 47 Gruen Associates, Planning & Design, A Development Plan for Marina del Rey Small Craft Harbor (Beverly Hills, California: May 1, 1960) and Development Plan, Revised, for Marina del Rey Small Craft Harbor (September 15, 1960).

- 48 Gruen Associates (May 1, 1960), p. A.
- 49 Ibid.
- 50 Nicholson (1956) p. 78
- 51 Ibid.
- 52 Corps of Engineers, Design Memorandum No. 1 (Los Angeles: November 1956) p. 8.
- 53 Gruen Associates (May 1, 1960) p. L.U.-1.
- 54 Coverdale and Colpitts (1958) Exhibit 2.
- 55 Gruen Associates (May 1, 1960) p. L.U.-2.
- 56 George F. Nicholson, Small Boat Harbor Development, Marina del Rey, Alternate Schematic Plan No. 2 (Long Beach, California: 1955) 6 pp. mimeo.
- 57 Ibid.
- 58 Gruen Associates (Sept. 15, 1960) p. 5.
- 59 Gruen Associates (May 1, 1960) p. L.U.-26.
- 60 Madigan-Hyland, Recreational Development of the Los Angeles Area Shoreline (1949) p. 95.
- 61 Coverdale and Colpitts (1958) p. 23.
- 62 Nicholson, Alternate No. 2 (1955) p. 2.
- 63 Coverdale and Colpitts (1958) pp. 39-40.
- 64 Ibid., p. 41.
- 65 Interview with Mr. Ben H. Southland, Gruen Associates, Nov. 19, 1971.
- 66 Gruen Associates (May 1, 1960) p. L.U.-23.
- 67 Ibid., p.L.U.-35.

- 68 Ibid. , p. L.U. -20.
- 69 Ibid. , pp. L.U. -31-32.
- 70 Gruen Associates (Sept. 15, 1960) pp. 31-32.
- 71 Gruen Associates (May 1, 1960) p. L.D.-2.

CHAPTER IV. LATER DEVELOPMENT (1962-71)

The Critical Period

The County's economic consultants had been optimistic about rapid development of Marina enterprises after the basic and secondary public improvements were complete. Nicholson's schedule indicated full private development almost immediately.¹ Coverdale and Colpitts expected² this to occur after three years of operation.

However, private development was limited at first. The Marina was opened to boat traffic in the summer of 1962. The Coverdale and Colpitts prediction, upon which the bond repayment schedule was based, implied that total annual County income would reach \$2,000,000 by 1965. Actually, income in the fiscal year 1965-66 was only about \$1,000,000. This was not sufficient to meet the minimum operating expenses and debt service³ requirements. The Marina had to borrow \$500,000 over a three year period from the County general fund to meet its obligations. As mentioned⁴ earlier, State legislation and a resolution of bondholders was required to do this.

Unfortunately, this situation was not just a matter of slow response to the part of private developers. There had been some fundamental problem which jeopardized the overall success of the Marina project. The most dramatic problem was the "surge" problem which began soon after the Marina opened, but became especially difficult in the winter of 1962-63. Apparently, storms in the Pacific produced high waves which entered

through the wide entrance channel. Furthermore, the waves were augmented by reflection from the channel walls. The most critical wave action occurred⁵ in the side basins nearest the entrance.

Considerable damage was done to boats and slips at this time. Ultimately⁶ about \$5,600,000 in damage suits were threatened against the County.

In addition, it was reported that:

Reputable waterfront contractors have refused to accept even temporary responsibility for construction in the interior basins until positive protection of the harbor is in place. Maritime insurance agents are refusing to write hull insurance for boats berthing in the harbor. Property damage insurance recently has increased significantly for Los Angeles County lessees. Manufacturers of floating equipment are refusing to guarantee their⁷ protection against wave conditions in Marina del Rey.

Still, ultimately, only one settlement for \$50,000 and another of unknown⁸ amount were paid. These events discouraged potential developers of both water and land oriented enterprises. Fortunately the Corps of Engineers was already considering studies of the Marina using a scale model and wave⁹ action machine. These studies were soon complete and recommendations were made. The Corps proposed the construction of a breakwater across the channel entrance and the sealing of the south jetty. This was expected to¹⁰ reduce the maximum wave height within the Marina to two feet. The cost was about \$4,600,000, with equal shares paid by Federal and County governments. By 1956, this project was completed and has apparently been successful in eliminating the surge problem.

Another environmental problem was particularly apparent at that time. Heavy concentrations of "red tide" made up of algae which discolor the water, have an unpleasant odor, and can poison fish and shellfish, appeared all along the coast and affected the Marina area.¹¹ No cure has been found for this periodic phenomenon although there have been no serious "red tides" recently.

During the "critical period", title companies were being cautious about insuring titles to land leased from the County. The terms of the revenue bond resolution required "active public use" of the Marina by sublessees. This was interpreted to mean that subleases for questionable uses could not be written for periods longer than one year and that the County could require a 25 percent annual turnover in sublessees.

An additional expense for lessees also appeared with a ruling from the Los Angeles County Tax Assessor that the land they had leased, as well as the structures they owned would be subject to property tax. A tax on "possessory interest" in leased land had to be paid by each lessee. This resulted in property taxes said to be about 60% higher than the amounts anticipated at the time leases were signed.¹²

All of these factors combined to put many lessees in financial jeopardy. In May 1962, the Marina del Rey Lessees Association was formed to see what could be done. At this time some lessees were ready to cancel

their contracts, preferring to take their losses rather than incur greater losses
 13
 under the undue hardship conditions which they perceived. Later they met
 with the Los Angeles County Assessment Appeals Board and worked out mutually
 acceptable arrangements. This led to some reduction of the possessory interest
 tax based on the time remaining on leases.

By 1967, most Marina problems had been resolved, consumer demand had
 increased and considerable new development had taken place. Revenues were
 sufficient to cover current costs, interest on bonds, and to retire bonds
 according to the required schedule. The period from 1962-67 had been a
 difficult one. During this time, much of the negotiation with lessees about
 private development took place and the policies established then continue
 to affect current decisions.

Land Use Plan 1967

14
 In 1967 Gruen Associates completed a revised Land Use Study. This was a
 review of Marina development that had taken place, under the original Plan,
 an evaluation of problems then current, and an examination of alternative
 planning strategies for the solution of those problems.

When this Land Use Study was begun, the Marina was still in a critical
 period of economic development. Revenues were not sufficient to cover
 bond payments as well as operating expenses.

Income Statement

15

Fiscal Year 1965-66

Gross rents	\$1,095,851
Small Craft Harbor Expenses	<u>724,068</u>
Net Income	371,783
Bond Payments	\$ 728,000
Deficit	356,717

According to the data then available to Gruen, the deficit was expected to drop to \$175,000 for the fiscal year 1966-67, and to \$100,000 the following year. It was expected that after 1968, loans from the County general fund would no longer be needed to meet the deficit. It is clear, then, that the highest priority in planning for the Marina had still to be given to its potential for revenue production.

Leasing problems. Many of the difficulties which slowed the development of the Marina were discussed in the previous section of this chapter. The result of these difficulties was a period of low return from under-developed County real estate resources which extend for a longer period than had been anticipated.

In 1967, 53 leases for Marina land had been awarded, and 17 parcels still remained unleased and vacant. In terms of development, only 35 parcels were considered to be fully developed: 10 leased parcels were vacant and 12 were only partially developed. The 17 unleased

parcels were, of course, vacant. The visible effect of 39 empty or underdeveloped parcels on the Marina was to give it a dispersed and under-used appearance discouraging to investors.

County leasing arrangements for Marina properties stipulated three levels of rent which might be paid. The lowest rent was "holding rent" based on $\frac{1}{3}$ of the specified square foot rent for a parcel. It was intended for the initial period in which the leased parcel was either undeveloped or under construction.¹⁹ In either case the parcel was incapable of producing a return for the lessee.

"Square foot rent," sometimes called "minimum rent", was to be charged when construction was complete. The facility on the parcel was assumed to be in operation, but not yet successful. Each parcel was assigned a minimum square foot rent for land which varied, according to location and use, from 6 to 30 cents per square foot.²⁰ It was hoped that minimum rents would cover all costs to the County, including financing costs, for the operation of the Marina.

The normal return to the County was from "percentage rents", based on percentages of gross receipts earned on each successful parcel.²¹ The specific percentage to be charged varied according to the type of business in which the lessee was engaged. Originally, the percentages of gross receipts to be charged ranged from 5% to 25%.²² This schedule was revised in 1961 to range from $1\frac{1}{4}\%$ to 20%.²³

Rents for each developed parcel were to be based on either square foot rents or percentage rents, whichever was greater, thus insuring that the County would cover its costs as soon as a parcel moved beyond the holding rent stage of its operation. Time limits for paying holding rents were specified in leases.²⁴ Had these time limits on holding rents been strictly enforced, Marina deficits would have been reduced, if not eliminated. General economic conditions, financing difficulties and the threat of lessee withdrawal made it impolitic to insist on these time constraints.

In 1967, 41 parcels in the Marina had been leased.²⁵ Eleven of the 41 were paying percentage rent, indicating a profitable operation for the County. Ten parcels were paying minimum rent, assumed to be a break-even level of revenue return for the County. Twenty were paying holding rent, which produced a net loss for the County.

Gruen noted that if all unleased parcels were let at minimum rent they would provide additional annual income to the County of only \$184,145. This would not cover current deficits. Furthermore, there was no indication that parcels leased in the future would be developed, and thus move from holding to minimum rents, any more quickly than the parcels already leased. At holding rent, all parcels available for lease would bring in only an additional \$61,380 per year.²⁶

If, on the other hand, the 20 parcels then paying holding rent were developed to pay minimum rent, additional annual County income would amount to \$447,509, a sum more than sufficient to cover annual deficits.

Emphasis, therefore, should be placed on encouraging more rapid completion of improvements on parcels already leased rather than on putting all parcels out for bid. The study recognizes the difficulty to the County of speeding development on leased parcels, since initiation of further construction must lie with the lessee. It was suggested, however, that the County encourage the development of temporary improvements such as public tennis courts or recreational areas on leased parcels. These uses would also provide the appearance of activity. Some income would be obtained by lessees while they awaited favorable financing opportunities for more intensive development. Landscaping, placed so as to be usable on sites destined for future completion, would mature in readiness for final development. This would enhance the appearance of the Marina in the interval. Finally, higher intensity use of parcels already in operation should be encouraged.

The break-through year, in which the Marina achieved an acceptable level of revenue was 1967. So far as is known, neither the temporary uses nor the landscaping improvements were implemented since the problems which suggested them did not continue.

Strategies for the future. Reviewing the analysis of rents, the Gruen study

recommended against making the unleased parcels available for lease indiscriminately. Pointing out that undeveloped parcels, both leased and unleased, provided an opportunity for flexibility in strategies for revenue maximization, the study recommended that alternate strategies be examined to achieve a goal of optimum balance of land use. "This does not mean that the current land use plan and policies be rejected, but that certain emphases might be changed."²⁷

Gruen considered 14 parcels as potential leaseholds and recommended that light of them be withheld from leasing for a time. Four of these parcels were designated as public parking to be converted to other uses as deemed necessary. Four parcels for commercial use should also be withheld. The remaining six, planned for a drive-in restaurant, two gas stations, and anchorages, apartments and related uses were to be leased immediately.

Recommendations for leasing were based partially on location, since key parcels which were empty detracted greatly from the appearance of the Marina. Another consideration was apparently needed. For example gas stations were needed to serve Marina residents and visitors. Proven operational success was also a factor, as in the case of anchorages and apartments.

Recommendations for withholding parcels from leasing were based on

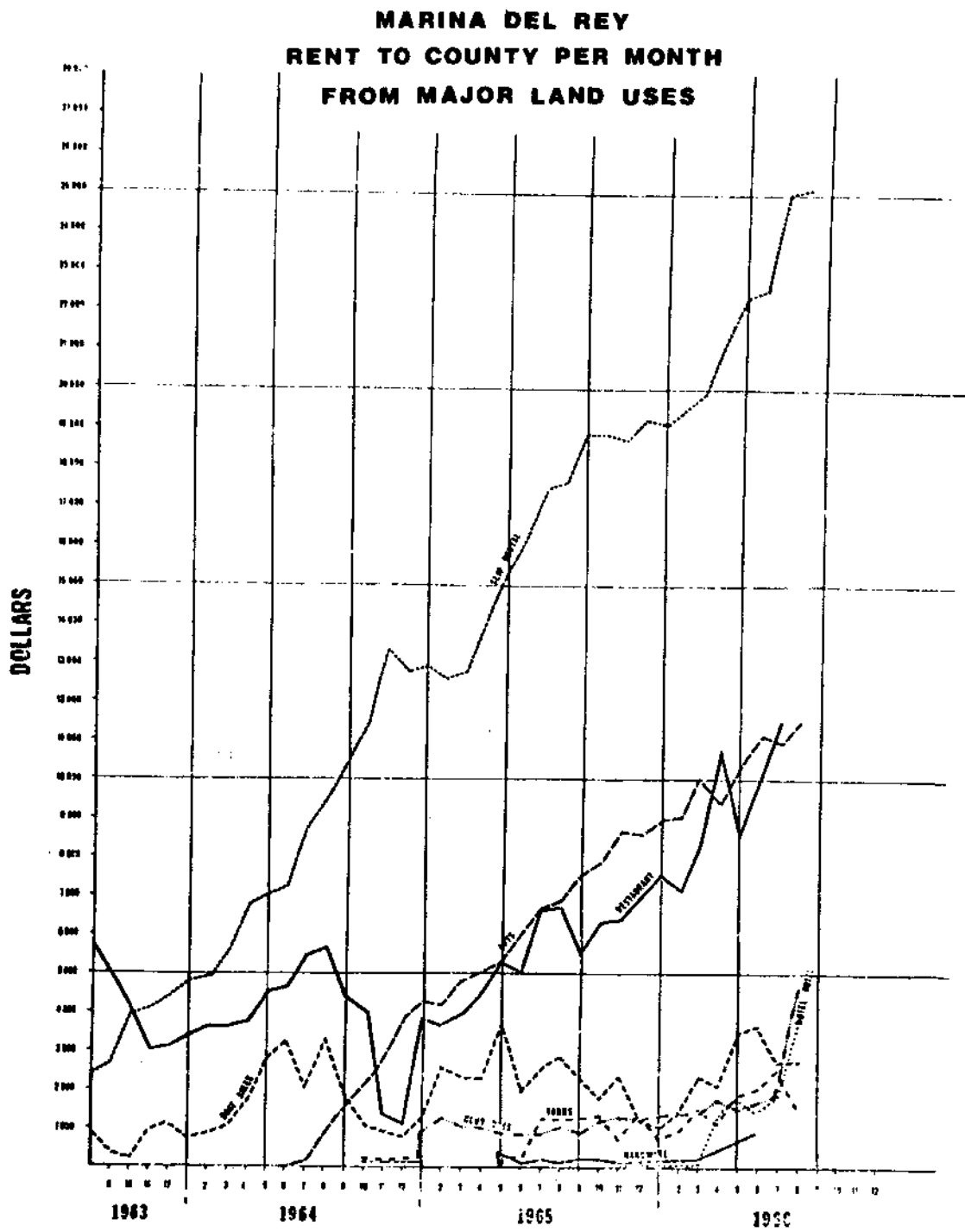
the need to reevaluate some land uses in the light of experience up to that time. Recommendations of particular interest to this study will be considered below.

Analysis of land use revenues. Examination of rents received by the County from August 1963 through August 1966, as shown on the following charts, indicates that boat slips, restaurants and apartments were the most revenue productive uses to the County. Relating area to revenue, rents received per square foot clearly show restaurants to be the most productive use, returning \$.44 in rent per square foot. Boat slips produced \$.41 per square foot if land alone is figured, but only \$.08 if land and water area is considered. Apartments returned \$.105 per square foot. No attempt is made to relate County costs for various uses to the rents received.

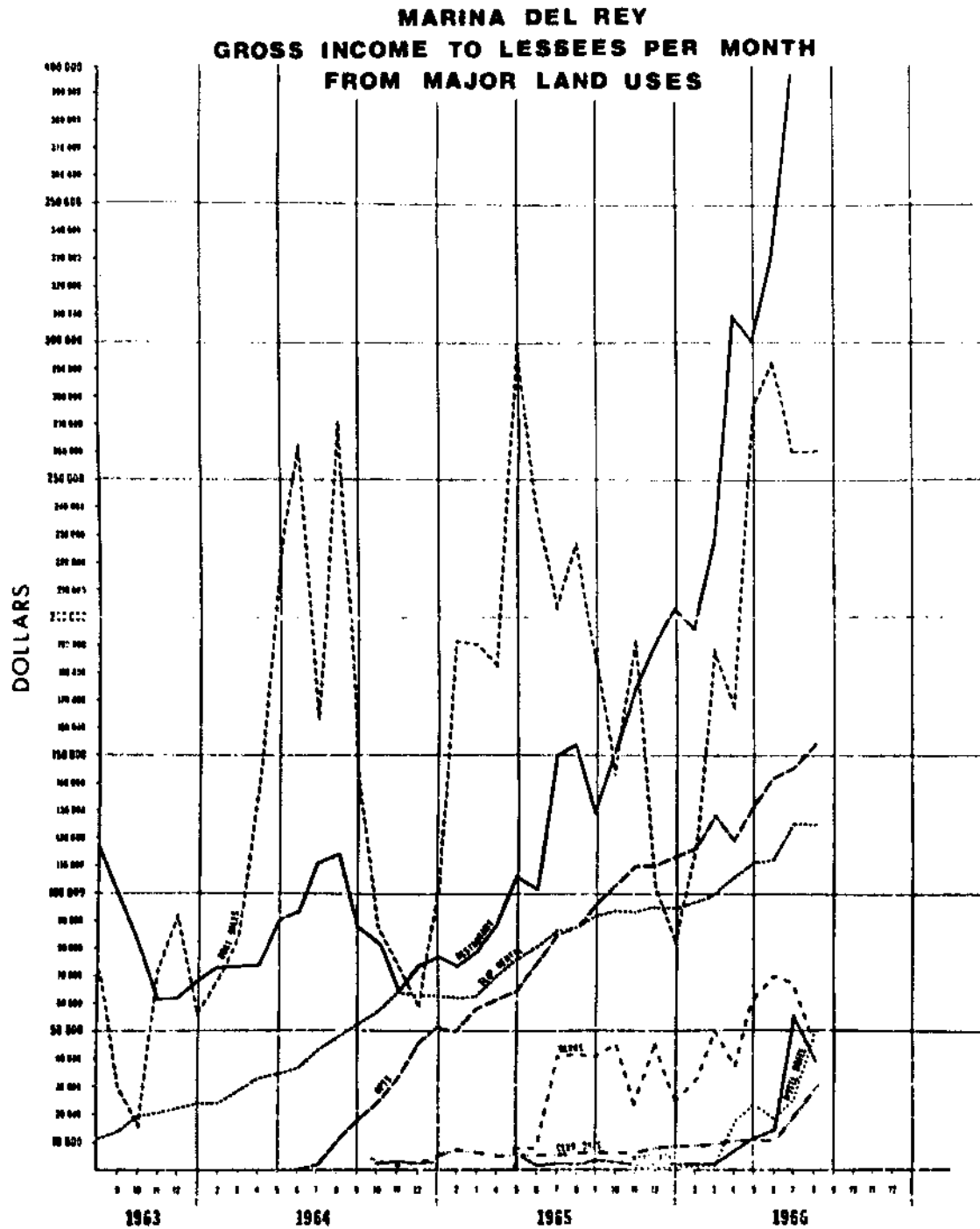
The analysis of revenues must be viewed in relation to several factors: gross revenues on which percentage rents are based, the percentages charged for varying uses and the areas of land required to produce the receipts. Thus, for example, restaurants are a highly intensive land use, producing the highest gross receipts in the Marina, \$3,445,013 in 1965-66, but returning only \$119,931 in rents at 3% of gross receipts. Boat slips, however, which grossed only \$1,252,500 during the same period returned \$250,495 on the basis of 20% of gross receipts charged as percentage rent.

28

Ideally, costs to the County in terms of differing services required should



Source: Gruen Associates, Marina del Rey: Land Use Study, Los Angeles (March 1967)



Source: Gruen Associates, Marina del Rey; Land Use Study, Los Angeles (March 1967)

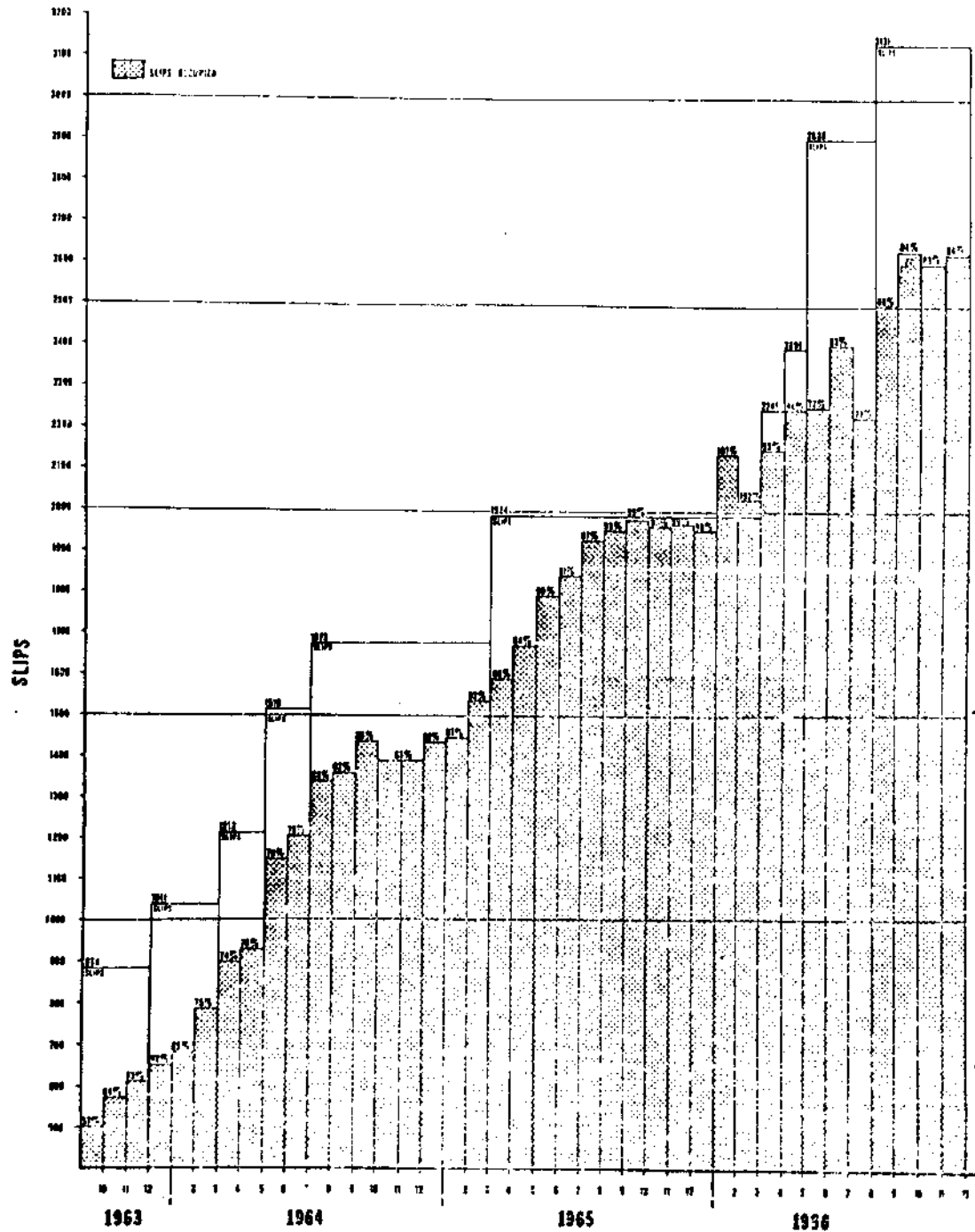
be figured into the land use revenue analysis to give a true assessment of productivity. The Land Use Study does not provide these figures, but in making recommendations for future planning strategies the study does consider the opportunity costs which would result if balanced and efficient land use were ignored.

The Land Use Study

In general the Land Use Study responds to the financial pressures still prevalent in Marina operations by recommending further development of those land uses which have proved profitable. Anchorages were, of course, the prime purpose for Marina development and were, in addition, a profitable enterprise, producing the largest single source of revenue in 1965-66. The Study recommends that more slips be provided as current occupancy reaches 90%. The following chart shows how occupancy tends to rise to meet newly constructed capacity.

Boat sales, a use related to anchorage, were also a highly successful operation, grossing \$2,278,289 in 1965-66, but returning only \$27,262 to the County because of the $1\frac{1}{4}\%$ rent charged on the gross receipts. Gruen sees the demand for boat sales as being directly related to the number of slips available. This, coupled with the low return, leads to a recommendation that the area available for boat sales be increased only in proportion to anchorages available.

MARINA DEL REY SLIPS OCCUPANCY



Two anchorages are operated by private clubs who are prime lessees. All others are operated by private developers providing anchorages alone or in conjunction with apartments. In all cases, slip rental is separate from club membership or apartment leases. The diseconomy of anchorages in terms of land use revenue analysis lies in their low intensity of area use. Disappointing returns from prime lessees led to a recommendation against leasing directly to more private clubs. To reduce diseconomies of anchorages to the Marina, and to increase revenues from prime mole land, Gruen recommended increased intensity of use of the land area of all anchorage parcels:

"There is a case for permitting an increased intensity of development and a wider range of uses on many parcels. The use of deck parking, the construction of apartments and other uses on anchorage parcels should be considered, subject, of course to adequate road and
29
access capacities."

This recommendation represents a major departure from the original Land Use Plan of 1960 which proposed intensive use only on the ends and bases of moles. That this recommendation was followed is indicated by current development. The constraint to consider access capacities, however, was not followed is documented in the 1971
30
Gruen circulation study. There is noted that a pressing need

exists to provide more space for circulation for automobiles, bicycles and pedestrians within the Marina in the north-west area. It also noted that no land remains for the required improvement to circulation facilities.

Restaurants, as stated, were a highly successful enterprise and the 1967 recommendation regarding restaurants is to "increase as soon as possible."³¹

Elsewhere in the Study, however, caution is expressed that in following trends for land use based on enterprises of proven profitability, market saturation for particular uses may occur.³² Restaurants proved to be such a case. Restaurants and other non-boating functions are being discouraged now.

At the time of the Land Use Study, 726 apartment units existed in the Marina and the County projected a capacity of 3,586 units. By 1972 there were 4,502 units and the County had approved a total of 5,632 proposed units, well above the 1967 estimated capacity.

Although the 1967 work approved the extension of apartments, recommending that this use also should "increase as soon as possible," it noted some opportunity costs. Motels, hotels, boatels and cabanas had not received significant development in the Marina. At the time of the Study three motels containing 232 rooms operated in the Marina and the use was so new that significant data had not been developed. Nonetheless, residential accommodations of this type are far more revenue intensive in terms of gross receipts per square foot than are apartments, and the percentage rent

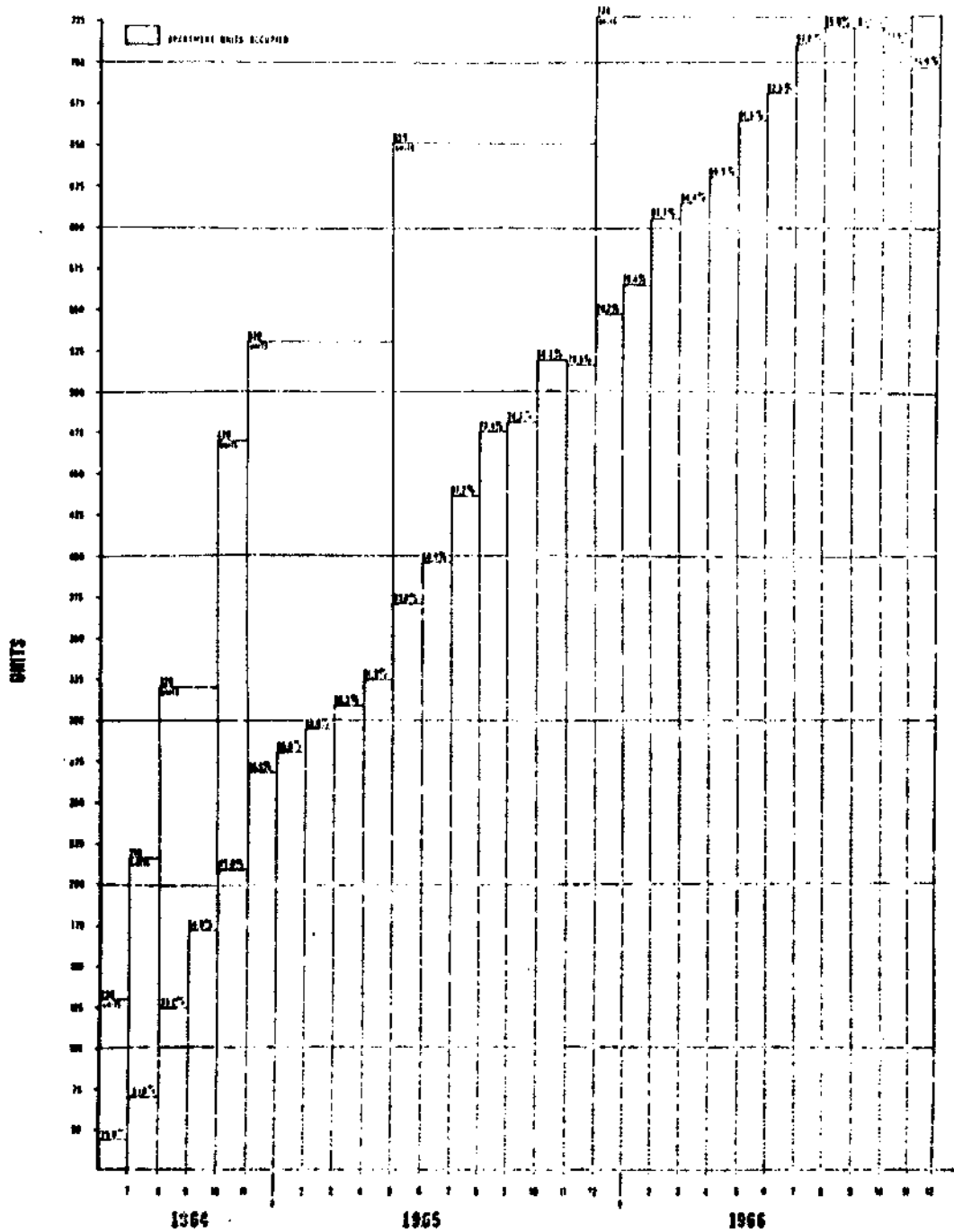
charged is the same for both types of residence. Land used for apartments which could have been set aside for hotels, motels or cabanas, therefore, represents a potential loss of revenue to the Marina. More hotels and motels are now being attracted to the Marina.

The apartments developed early in the Marina's history were of less expensive construction and less luxurious design than those constructed at a later date. Rents for the early apartments are lower than are rents for those of a later date, so that County revenue, based on $7\frac{1}{2}\%$ of gross receipts are less for the older units. The early apartments are seen to have "missed their market" and this, too, represents an opportunity cost. 33

In summary, the basic land use scheme for the Marina was changed from a planned water-related recreation facility to become a residential real estate development. Although the Land Use Plan does not address the question, some costs must be figured for this basic change which resulted in the construction of a County-owned city. The tendency to allow almost unlimited development of apartments with high population densities is primarily responsible for the change in purpose and function of Marina development.

Costs due to this change result from (1) the provision of larger public utilities needed for the greater capacities than were originally planned; (2) provision of County services for the protection and

MARINA DEL REY OCCUPANCY OF APARTMENTS



Source: Gruen Associate, Marina del Rey: Land Use Study, Los Angeles (March 1967)

welfare of a far larger permanent population than was originally considered; (3) the blurring of the separation of activities designed into the original plan as commercial facilities were approved in the residential and boating oriented western sector; (4) peak hour congestion of circulation requiring provision of enlarged streets and construction of sidewalks or, where this is not possible due to spatial limitation, the costs occasioned by the diseconomies of congestion; and (5) the costs of friction between residents, boaters, and visitors as the unplanned intensities and activity patterns cause conflict and threaten to diminish user satisfaction in the Marina.

Conclusion. The Land Use Study of 1967 was presented coincidentally with the first evidences of the alleviation of the basic problem it sought to solve. County revenue from the Marina rose sharply in 1967, erasing at long last, the annual deficit which had been expected to continue for several more years. Nonetheless, many of the Study's recommendations to optimize revenue return remained appropriate and were implemented by the County.

Had the authors of the Study known of the imminent financial success of the Marina, the emphasis might have shifted, thus altering the recommendations. But even in the face of the high priority for revenue return, the study included many recommendations for the improvement of public areas. Gruen continued to exhort the

County to enforce sign and landscaping requirements on leased parcels and to provide the amenities for public areas which had been an important part of the original Plan. They proposed additional public recreational areas. They deplored the lack of focus and the esthetic mediocrity of the developing Marina.³⁴ Unlike the recommendations to optimize revenue, these recommendations were evidently not generally accepted since only one of them is being implemented by the County. Nine acres on Mindanao have been withdrawn from leasable status and are currently being developed as a public park.

Current Conditions

Following the critical period, boat owners and investors began to have confidence in the Marina and development began on a large scale. At the beginning of 1968, Los Angeles County Supervisor Burton Chace was able to announce that the Marina was operating in the black.³⁵ A \$1,001,000 allocation by the County to cover the expected deficit for 1968 was cancelled and the financial solvency of the Marina was heralded. The years beginning with 1968 saw intense and rapid development. In that year, two-thirds of the slip area and one-third of the land area were developed. Four years later, there are only three parcels left in the Marina to be developed.

Development. As noted above, the decisions and compromises which had

had to be made during the critical period together with the constraints imposed by the bond resolution were the forces which most characterized the development which now took place. Apartments, restaurants, banks, clothing stores and similar non-recreational uses not only were included in the Marina, but began to be the dominant characteristic of this public recreational facility.

In June 1968, Fisherman's Village was announced and construction began soon afterward. It has since become the chief attraction for the general public. Aside from the public beach, Fisherman's Village offers the only facilities which tourists and visitors can use that are integrally linked to the waterfront. It is a collection of gift shops, restaurants and snack bars built in the fashion of a Cape Cod fishing village. However, this area is entirely commercial; you must spend in order to avail yourself of its unique Marina atmosphere.

One other public facility has been added. Recognizing the need to provide the public with the opportunity to launch boats from trailers, the County and their consultants insisted upon the inclusion of a boat launching ramp. Difficulty was encountered when no private developer would take on the project. It was considered unprofitable and developers felt that they might even have difficulty meeting their operating costs. Finally, the County was able to construct the facility and now operates it.

Under County management, the launch facility today does not provide a suitable return on the investment required to build it.

Construction has never stopped at the Marina. Development, although reaching the saturation point, has not yet slowed down. The rapid increase in land improvements and the number of apartment dwellers has accounted for the most significantly property assessment and population gains in the entire southwest Los Angeles area. Today there are over 4500 apartment units at the Marina, 340 hotel/motel rooms, almost 5000 restaurant seats, and 5500 mooring berths. There are seven yacht clubs, a movie theater, and an office building. Private development in the Marina exceeds
36
\$105 million.

During the peak periods such as summer weekends, pedestrian, auto, and boating congestion is evident at the Marina. Intensive use of boating facilities has made it necessary to develop cooperative traffic regulations on the use of the main and entrance channels. Automobile traffic is heavy entering and leaving the Marina and circulation within is also congested.

The Marina is served by the County Harbor Patrol which was created expressly for the Marina, the U.S. Coast Guard, a contingent of the County Fire Department and the County Sheriff's Department.

Residential Use. The large number of apartment buildings in the Marina today

are approved, in large part, as the result of decisions made in response to lessees who claimed they could not get financing without a guaranteed profitable development such as apartments. The Marina apartments now enjoy an occupancy rate that varies between 95% and 100% depending on how recently a new development has opened. A Marina survey done in 1968 showed that the apartments were fairly expensive with 37% under \$201 per month, 51% between \$201 and \$300, and 12% rented for over \$301.³⁷ At the time of the survey, 33% of the apartments had single occupants. The restaurants in the area, the proximity to urban Los Angeles, the recreational facilities and the general resort atmosphere make the Marina a very desirable place to live. These advantages make it possible for the apartments to command a high rent, thus giving the community an exclusive image. The residents are essentially white, adult, professional, and have moderate to high incomes. There is a large young adult contingent, and the Marina is considered a desirable address for young people on the way up.

The apartment population in the Marina has caused problems because of its size. Much of the heavy peak hour traffic load in the area is due to resident travel. Still it seems to be the residents who complain most about the congestion. Parking has become a problem. The apartment residents have encroached upon the amount of space available to the boat owners for parking and often competition for the spaces

must be mediated by the lessees.

Roads are not the only part of the Marina which cannot handle the excess load produced by the apartment population. In 1969, a new sewer line which cost the Marina fund \$145,330 was installed to accomodate about 1500
38
apartments on the west side of the Marina. There have been other unexpected costs borne by the County and the surrounding areas for a residential community, such as additional water lines, traffic signals, sidewalks, and protective services.

Almost all apartments in the Marina are intended for adults only. This means there is no burden on the local school district, but it also means that the surrounding communities are losing this stock of tax payers who probably exert the lightest load upon community services. The County has in effect monopolized a large portion of high paying, low demanding tax payers in the area.

Marina user groups. The people who use the Marina fall into several distinguishable groups. Most apparent are the apartment dwellers and the boat owners. To some extent they compete for recognition of their own interests. The apartment dwellers have made the Marina their home and are consequently interested in their rights to privacy, ease of access to their homes, quiet, and participation in the decisions which affect their residential community. Unfortunately, many of these desires run directly counter to the concerns

of the boat owners who view the area as a recreational facility. Caught between these two conflicting views of the Marina, is the growing number of people who live aboard their boats. Unfortunately, the present Marina cannot successfully accomodate expansion in all three of these uses.

One of the organizations representing boat owners is the Pioneer Skippers. This organization has taken action on treatment they feel is unfair. The slip rates at Marina del Rey are generally about \$.25 higher (per foot, per month) than in other Southern California marinas and the Pioneer Skippers feel that since Marina del Rey is publicly owned and intended as a public recreational facility, this is uncalled for and unjust. This situation has led boat owners to believe that the apartment complexes are favored in the eyes of the lessees. It is felt by boat owners that the anchorages are considered useful by the Marina only as they contribute to the value of apartments.

Another identifiable group is, of course, the general public which neither rents apartments nor owns boats at the Marina. For these people there are many restaurants to use, there is Fisherman's Village, the public beach and a few small places where they may stop their cars and watch the boats. Most boat watching is restricted however because the mole roadways are barricaded by apartments or other structures blocking the

view. There are virtually no walkways and very few public places to park cars. Consequently use of the Marina by general public remains small relative to the number of residents and boat owners.

During the days when lessees were having trouble getting financing and were requesting relief from the County, the Marina del Rey Lessees Association was formed to represent their interests. This group continues today as an identifiable factor in the decisions which are made in the Marina.

Considerations for future planning

Marina del Rey is not a finished product but a continually evolving one which still has the capacity to change. A change in market demand, full payment of the revenue bonds, natural disaster, altered developer behavior, public policy changes or a number of other occurrences could greatly change the character of the Marina.

Some things are known about the immediate future. Work has begun on the construction of a long promised park. It is planned that the park will cover a large part of one of the moles which until now has been withheld from development. The addition of the park would greatly increase the recreational facilities open to the general public in their use of the Marina, and would thus increase the number of visitors to the Marina.

Along the waters edge on the north end of the Marina, a massive complex

consisting of apartments, restaurants, hotel and convention center is under construction on a single leasehold. The development, called Marina City Club, fully reflects the new image of the Marina which has evolved over the past several years. The apartment rents are to be high, in keeping with the continuing escalation of the economic status of the clientele which the Marina serves. The impact which this \$60 million development has on the Marina del Rey may well be irreversible, focusing policies in Marina management more toward service to an elite than to recreational opportunities for the general public.

Further, the Marina City Club may lead the Marina as a whole into a second round of development. Recognizing that the character of the Marina is changing, the Department of Small Craft Harbors and their consultants are considering the possibility of a second round of development. It is possible that the Marina City Club may so escalate the revenue expectations of developers and of the County that those who own the earlier, less expensive facilities may find it desirable to improve or to replace their original construction.

There is, therefore, a choice to be made between two possible policies to govern the future of Marina del Rey. One is to increase public use of Marina facilities through development of parks and commercial areas designed to serve tourists and local visitors. The other involves the

development of more high revenue producing facilities which cater to affluent apartment residents and visitors of a more specialized type, such as business and professional people using convention and resort facilities. A failure to make this choice in the near future will lead to further exacerbation of the conflicts beginning to appear between user groups.

This working paper has reviewed, described, and when possible, interpreted the decisions which created Marina del Rey. It has concentrated in large part on difficulties and problems of the past, the present and a few that seem imminent in the future. It seems appropriate, therefore, to conclude this paper with a reminder that the Marina, viewed in the light of its financial objectives, is an undeniable success. Marina del Rey stands today as a well established, financially stable, extremely busy, large scale development which is known the world over.

FOOTNOTES

- 1 Nicholson (1956) Table: "Actuarial Financial Data".
- 2 Coverdale and Colpitts (1959) Exhibit 4, Revised.
- 3 Memorandum from State Department of Harbors and Watercraft (March 16, 1969).
- 4
- 5 Corps of Engineers, U.S. Army, Design Memorandum No. 2 (Revised), General Design for Marina del Rey, Venice California (Los Angeles, 1963) p.2.
- 6 Venice Evening Vanguard (April 11, 1963).
- 7 Ibid., p. 11
- 8 Memorandum from Leo Bialis, Harbor Controller (March 15, 1972)
- 9 Ibid., pp. 2-5.
- 10 Several emergency measures were also proposed. One involved scuttling two World War II Liberty ships in front of the channel. The second was a plan to sink sheet piling there. The piling was installed in 1963 at a cost of \$350,000. It was effective for surface waves but allowed subsurface movement which hit boats of more than 6 foot draft. See Los Angeles Times (August 27, 1963).
- 11 The Santa Monica Evening Outlook (February 9, 1963) reported a combination of red tide, a broken sewerline, and oil field discharge which produced a concentration of hydrogen sulfide. It turned white house paint black and caused nosebleeds and nausea among local residents.
- 12 Marina News (September 15, 1962).
- 13 Ibid.
- 14 Gruen Associates, Marina del Rey: Land Use Study, (March 1967) 59 pp. mimeo.
- 15 Gruen Associates (1967) Part I, p. 4.

- 16 Ibid., p. 5.
- 17 Ibid., p. 4.
- 18 Ibid., p. 8.
- 19 Marina del Rey Small Craft Harbor, County of Los Angeles California, Information to Bidders (undated) p. B-1 and p. L-8.
- 20 Ibid., pp. B-2, B-19 and L-8.
- 21 Ibid., pp. B-2 and L-9.
- 22 Ibid., pp. B-19 - B-20.
- 23 Marina del Rey Small Craft Harbor, County of Los Angeles California, Information to Bidders: Revised (Dec. 19, 1961)
- 24 Marina del Rey Small Craft Harbor, Information to Bidders (undated), pp. L-8 - L-9.
- 25 Figures in the Gruen Land Use Study for total parcels and leased parcels vary throughout the report, reflecting changes in parcels leased and parcels redefined by L.A. County during the period of work on the Study.
- 26 Gruen Associates (1967) Part I, p. 32.
- 27 Ibid., Part II, p. 8.
- 28 Ibid., Part I, p. 11.
- 29 Ibid., Part I, p. 36.
- 30 Gruen Associates, Marina del Rey Traffic and Parking (July 1971) p. 26.
- 31 Ibid., Part I, p. 37.
- 32 Ibid., Part II, p. 8.
- 33 Interview with Mr. Ben H. Southland, Gruen Associates, November 19, 1971.

- 34 Victor Gruen Associates (1967), Part I, p. 34.
- 35 Editorial, Santa Monica Evening Outlook, March 20, 1968.
- 36 Department of Small Craft Harbors, Leasehold Development Status for Marina del Rey, (County of L.A. California: Jan. 1, 1972).
- 37 Department of Small Craft Harbors, "Study No. 3--Survey of Marina Apartment Dwellers", Marina del Rey Reporter, April 1968, p. 1-2.
- 38 Los Angeles Times, May 4, 1969.

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